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97TH CONGRESS } SENATE { REPORT
2d Session } { No. 97-549

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT—INDEPENDENT AGENCIES APPROPRIATION BILL, 1983

SEPTEMBER 16 (legislative day, SEPTEMBER 8), 1982.—Ordered to be printed

Mr. GARN, from the Committee on Appropriations, submitted the following

REPORT

[To accompany H.R. 6956]

The Committee on Appropriations to which was referred the bill (H.R. 6956) making appropriations for the Department of Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 1983, and for other purposes, reports the same to the Senate with various amendments and presents herewith an explanation of the contents of the bill.

AMOUNT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY

	Fiscal year 1983
Amount of bill as recommended in House	$47,000,239,000
Amount of change by Committee	+531,206,200
Amount of bill as reported to Senate	47,531,445,200
Amount of appropriations to date, 1982	57,267,884,240
Amount of budget estimates, 1983	41,400,675,000
Over estimates for 1983	+6,130,770,200
Under appropriations for 1982	−9,736,439,040
Amount of subcommittee allocation, 1983	56,500,000,000
Under allocation	−8,968,554,800

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SUMMARY OF THE BILL

					Senate bill compared with—		
Department or agency (1)	Appropriations. 1982 (2)	Budget estimates. 1983 (3)	House allowance (4)	Committee recommendations (5)	Appropriations, 1982 (6)	Budget estimates 1983 (7)	House allowance (8)
American Battle Monuments Commission	$10.586,000	$10,669.000	$10,669,000	$10,669,000	+$83,000		
Cemeterial expenses. Army	4,476,000	6,689,000	6,689,000	6,682,000	+2.206,000	-$7,000	-$7,000
Consumer Information Center	1,290,000	1,299,000	1,299,000	1,351,000	+61,000	+52,000	+52,000
Consumer Product Safety Commission	32,163,680	33,508,000	33,508,000	33,508,000	+1,344,320		
Council on Environmental Quality	936,000	926,000	926,000	926,000	-10,000		
Department of Housing and Urban Development	16,949,628.040	441,548,000	5,870.949,000	7,042,481,000	-9,907,147,040	+6,600,933,000	+1,171,532,000
Department of the Treasury	4,616,731.000	4,573,622,000	4,573,622,000	4,573,622,000	-43,109,000		
Environmental Protection Agency	3,702,612,000	3,635,392,000	3,712,242,000	3,699,620,200	-2,991,800	+64,228,200	-12,621,800
Federal Emergency Management Agency	585,275,000	850,287,000	729,795,000	586,275,000	+1,000,000	-264,012,000	-143,520,000
Federal Home Loan Bank Board	(61.590,000)	(66,160,000)	(66,160,000)	(66,160,000)	(+4,570,000)		
National Aeronautics and Space Administration	6,020,000,000	6,612,900,000	6,806,700,000	6,394,800,000	+374,800,000	-218,100,000	-411,900,000
National Consumer Cooperative Bank	4,800,000				-4,800,000		
National Credit Union Administration	100,000,000				-100,000,000		
National Institute of Building Sciences	1,440,000				-1,440,000		
National Science Foundation	995,575,000	1,072,768,000	1,109,400,000	1,072,768,000	+77,193,000		-36,632,000
Neighborhood Reinvestment Corporation	13,872.000	15,512.000	15,512,000	15,512,000	+1,640,000		
Office of Consumer Affairs	1,848,000	1,987,000	1,947,000	1,947,000	+99,000	-40,000	
Office of Science and Technology Policy	1,578,000	1,839,000	1,578,000	1,839,000	+261,000		+261,000
Selective Service System	19,721,000	23,386,000	22,386,000	22,986,000	+3,265,000	-400,000	+600,000
Veterans Administration	24,205,352,520	24,118,343,000	24,103,017,000	24,066,459,000	-138,893,520	-51,884,000	-36,558,000
Total	57,267,884,240	41,400,675,000	47,000,239,000	47,531,445,200	-9,736,439,040	+6,130,770,200	+531,206,200

GENERAL STATEMENT

The Committee recommends new budget (obligational) authority of $47,531,445,200 for the Department of Housing and Urban Development, the Environmental Protection Agency, the National Aeronautics and Space Administration, the National Science Foundation, the Veterans Administration, and 14 other agencies, commissions, boards, corporations, institutes, and offices. This amount is $9,736,439,040 less than the appropriations enacted for fiscal year 1982, $6,130,770,200 more than the budget estimate for fiscal year 1983, $531,206,200 more than was provided in the House bill for fiscal year 1983, and $8,968,554,800 less than the subcommittee allocation under section 302(b) of the Congressional Budget and Impoundment Control Act of 1974. The Committee notes that the "enacted levels" for fiscal year 1982, shown in the report, assume the enactment of the Supplemental Appropriations Act for fiscal year 1982 (H.R. 6863).

FEDERAL CREDIT CONTROL PROGRAM

The 1983 budget resolution proposes a system subjecting Federal credit programs to annual review, limitation, and authorization through appropriation language on direct loan obligations and/or commitments to guarantee loans. The new system of credit control will permit both the administration and the Congress to improve understanding of the credit programs and determine appropriate levels of credit activity.

Credit control language for the following accounts has been included in the bill. Credit control limitations for other accounts are addressed under specific appropriation headings.

Department of Housing and Urban Development:
  Federal Housing Administration fund
  Nonprofit sponsor assistance
  Emergency mortgage purchase assistance
  Guarantees of mortgage-backed securities
  Community development grants
  New communities fund
Veterans Administration:
  Loan guaranty revolving fund
  Direct loan revolving fund

REPROGRAMING AND INITIATION OF NEW PROGRAMS

The Committee continues to have a particular interest in being informed of reprogramings both between accounts and within the confines of a single account which may not change either the total amount available in the account nor any of the purposes for which the appropriation is legally available but which represent a significant departure from budget plans presented to the Committee in the various budget justifications.

Consequently, the Committee directs that the Department of Housing and Urban Development and the agencies funded through this bill notify the chairman of the HUD-Independent Agencies Subcommittee prior to reprograming of funds in excess of $250,000 or 10 percent, whichever is less, between programs or activities. The Committee desires to be notified of reprograming actions which involve less than the above-mentioned amounts if such actions would have the effect of changing an agency's funding requirements in future years or if programs or projects specifically cited in the Committee's reports are affected. Finally, the Committee wishes to be notified regarding reorganizations of offices, programs, or activities prior to the planned implementation of such reorganizations.

Despite the fact that this directive regarding reprogramings, reorganizations, and the initiation of new programs has been a part of the Committee's report since fiscal year 1977, the Committee notes that a number of the Departments and agencies funded through this bill have failed to fully comply with the directives. The Committee views the monitoring of reprogramings to be an integral part of its budget review responsibility and expects all Departments, agencies, commissions, boards, and offices covered by this legislation to adhere to the Committee's reprograming directives.

EFFECTS OF COMMITTEE ACTION ON BUDGET OUTLAYS

The fiscal year 1983 budget outlays and outlays from prior year budget authority for the Department of Housing and Urban Development together with the independent agencies funded by this bill resulting from funding requested by the administration are estimated to be $54,249,890,000. The Committee's recommendations would result in an increase in this amount of $213,903,000 for a total outlay figure of $54,463,793,000, which when added to the outlays associated with Public Law 97-216 and H.R. 6863 result in a grand total of $54,852,000,000 for fiscal year 1983..

In this regard, the Committee notes that total outlays, from prior year and new budget authority, are $1,748,000,000 below the subcommittee allocation under section 302(b).

TITLE I—DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

HOUSING PROGRAMS

ANNUAL CONTRIBUTIONS FOR ASSISTED HOUSING

	Contract authority	*Budget authority*
1982 limitation	[1] $802,795,848	[1] $13,274,888,040
1983 budget estimate	−2,052,000	−2,415,541,000
House allowance	([2])	([2])
Committee recommendation	179,940,000	3,799,920,000

[1] Includes rescissions contained in Public Law 97-216.

[2] Not considered by House.

The Committee recommends $3,799,920,000 of new budget authority. This is $6,215,461,000 more than the budget estimate.

PROGRAM DESCRIPTION

Currently the Department's assisted housing efforts consist of a low-income public housing program and the section 8 lower-income rental housing assistance program. Under the public housing program, local public housing agencies develop, own, and operate low-income public housing projects, financing them through the sale of short-term tax-exempt notes and long-term taxable instruments, with the Department of Housing and Urban Development entering into a commitment to pay the debt service of these obligations through an annual contributions contract to help assure low rents and adequate services. Financial assistance is also provided to Indian housing authorities to plan, build, own, and operate low-income public housing projects. Under the section 8 rent subsidy program the Department pays the difference between what an eligible lower-income household can afford and the fair market rent for an adequate housing unit. This rental assistance may be used for existing housing, for new construction, or for rehabilitated units.

For 1983, the administration proposes a major change in the manner in which assistance is provided to low-income renters. All subsidies for new construction or substantial rehabilitation (including public housing) would be discontinued except for 10,000 units assisted in conjunction with the section 202 housing for the elderly or handicapped program. A new subsidy mechanism is proposed beginning in 1983 which would make use of the existing housing inventory in meeting the needs of low-income persons. The new subsidy is based on the concept of providing eligible households with a certificate which will allow them to secure decent housing in the private market. The subsidy amount is to be determined by the difference between a payment standard established for each area and 30 percent of adjusted household income.

The administration intends to undertake a comprehensive review of projects in the construction and preconstruction processing pipeline in an effort to eliminate those projects which are not making satisfactory progress toward construction starts. The Department estimates that deobligation of such units is expected to result in the recapture of $9,919,137,000 of budget authority in 1983. Because of the anticipated recapture of budget authority in 1983, no new authority would be needed to support the program being proposed for 1983. Instead, the administration is requesting a rescission of $2,415,541,079 of available budget authority in excess of 1983 program requirements.

COMMITTEE RECOMMENDATION

The Committee recommends $3,799,920,000 in new budget authority and $179,940,000 in additional contract authority for the Department's assisted housing program within this account. These authorities, when combined with estimated budget authority carryovers of $2,183,246,727, deobligations of $4,000,000,000, and permanent authority of $24,800,000 will result in a fiscal year 1983 program level of $10,007,966,727.

The House deferred all consideration of this account pending the enactment of authorizing legislation. While the Committee is sympathetic with the House position, and would much prefer to work within the context of a newly authorized assisted housing program, this option is not available. Neither the Senate nor the House authorizing bill has been approved by either body and the prospect for a new authorization bill during the remainder of this session of Congress is uncertain. Rather than defer consideration of all of the programs in this account, the Committee recommends the funding of certain items that were previously authorized in the Omnibus Budget Reconciliation Act of 1981 (Public Law 97–35) and that are common elements of S. 2607 and H.R. 6296. In addition, the Committee has included language in the bill that would limit the Department's ability to make long-range commitments that might prejudice deliberations on the authorizing legislation. Specifically, the bill language directs that no contract or budget authority becoming available in fiscal year 1983 could be used for new construction (other than section 202, Indian housing or substantial rehabilitation) or for housing assistance contracts for the section 8 existing program that extend, or can be extended, beyond 5 years (other than property disposition, loan management and moderate rehabilitation).

Given the program structure proposed by the Committee, the recommended funding will result in the reservation of 94,000 housing units in fiscal year 1983. Under the Committee's recommendations, 16,000 units will be reserved for housing for the elderly or handicapped (section 202), as opposed to the 10,000 requested by the administration and the approximately 16,900 made available in fiscal year 1982; reservation of 3,000 units of Indian housing (the administration did not request any Indian housing in fiscal year 1983), compared to approximately 2,400 units in fiscal year 1982; and 75,000 unit reservations in 1983 associated with conversions and property disposition.

The Committee continues to be concerned with the administration of the Indian housing program, including the cost of housing, lack of coordination among Government agencies and apparent overregulation. At the Committee's request, the Department has prepared several reports identifying needed changes in the program in order to more efficiently produce an adequate number of economical Indian housing units. The Committee recognizes that all of the needed reforms are not within the Department's authority to implement and, therefore, directs the Department to submit a document by June 1, 1983 identifying needed legislative changes in the program.

The Committee also recommends $1,000,000,000 in new budget authority and $50,000,000 in new contract authority for public housing modernization. To date, 518 projects have received funding under the comprehensive improvement assistance program since its authorization in 1981. Although the Committee rejects the concept of funding the entire modernization program for fiscal year 1983 from recaptures, such recaptures would be used to augment the basic $1,000,000,000 in new authority. The Committee recognizes that approximately 140,000 units of public housing within an associated $16,000,000,000 in budget authority are in the pipeline and currently not under construction. Many of these projects are unlikely to go to construction and, therefore, the funds should be recaptured and applied to other housing needs. Consequently, the Committee has included bill language requiring the Department to apply 70 percent of the recaptured funds for additional modernization. The Committee expects the Department to: return a minimum of 50 percent of the recaptures to those authorities turning in such funds (in addition to their portion of the $1,000,000,000); 20 percent should be used for modernization as determined by the Department; and 30 percent should be applied to other housing programs.

The Committee has also included a provision requiring the use of $89,321,727 of budget authority in fiscal year 1983 for the modernization of 5,073 vacant uninhabitable public housing units. A similar provision has appeared in two previous appropriation actions (Public Law 97-216 and H.R. 6863, and S. Rept. 97-402).

In its fiscal year 1982 report (S. Rept. 97-163), the Committee noted that energy costs were the single largest factor contributing to the increased operating costs of public housing. The Committee continues to support the Department's emphasis on cost-effective energy conservation work items. Additionally, the Committee urges the Department to make modernization funds available for the energy audits required under the program. These audits are an essential element of any authority's modernization program.

The Committee has included a legislative provision extending the construction deadline for FAF eligible housing units from October 1, 1982 to January 1, 1983. The Committee notes this is the last extension it expects to recommend on the construction date.

The following table displays the gross reservations, contract authority and budget authority associated with the Committee's recommendations:

ANNUAL CONTRIBUTIONS FOR ASSISTED HOUSING GROSS RESERVATION FISCAL YEAR 1983

	Units	Cost	Contract authority	Term	Budget authority
Authority available:					
New authority	NA	NA	$179.940,000	NA	$3.799,920,000
Carryover	NA	NA	160,861,086	NA	2,163,246,727
Recaptures	NA	NA	196.000,000	NA	4,000,000,000
Permanent authority	NA	NA	24,800,000	NA	24,800,000
Total, available	NA	NA	561.601,086	NA	10.007.966,727
Use of authority:					
Public housing:					
Indian	3,000	$8,380	25,140,000	28	703,920,000
Amendments	NA	NA	16,000,000	NA	500,000,000
Lease adjustments	NA	NA	23,800,000	1	23,800,000
Modernization:					
From new authority	NA	NA	50,000,000	20	1,000,000,000
From recaptures	NA	NA	50,000,000	20	1,000.000,000
Sub. rehabilitation set-aside	NA	NA	4,466,086	20	89,321,727
Subtotal, public housing	3,000	NA	169,406,086	NA	3,317,041,727
Section 8:					
New/sub. rehabilitation:					
Section 202	16,000	6,550	104,800,000	20	2,096,000,000
Property disposition	10,000	4,558	45,580,000	15	683,700,000
Conversions:					
Section 23	5,000	2,711	13,555,000	15	203,325,000
Rent supplement	60,000	2,711	162,660,000	15	2,439,900,000
Subtotal, conversions	65,000	NA	176,215,000	NA	2,643,225,000
Amendments:					
New/rehabilitation	NA	NA	43,600,000	23	1,048,000,000
Existing	NA	NA	7,000,000	10	70,000,000
Loan management	NA	NA	15,000,000	10	150,000,000
Subtotal, amendments	NA	NA	65,600,000	NA	1,268,000,000
Subtotal, section 8	91,000	NA	392,195,000	NA	6,690,925,000
Total, all programs	94,000	NA	561,601,086	NA	10,007,966,727

RENT SUPPLEMENT

(RESCISSION)

1982 rescission	−$2,787,480,000
1983 budget estimate	−2,830,360,000
House allowance	([1])
Committee recommendation	−2,830,360,000

[1] Not considered by the House.

The Committee recommends a rescission of $105,160,000 in contract authority and $2,830,360,000 in budget authority. This is the same as the budget estimate.

PROGRAM DESCRIPTION

Section 101 of the Housing and Urban Development Act of 1965 authorizes rent supplement payments on behalf of low- and moderate-income tenants living in privately owned, operated, and financed housing. Eligible tenants must pay the greater of 30 percent of rent or between 25–30 percent of their income toward the rent with the difference between the tenant payment and actual cost made up by a rent supplement paid directly to the project owner.

The Housing and Community Development Amendments of 1979 redefined the standards for tenant eligibility under the rent supplement program to require that such tenants also meet the eligibility standards of the section 8 program. The 1979 and 1981 amendments also authorized the use of available authority under section 5(c) of the U.S. Housing Act of 1937, as amended, to supplement rent supplement contracts beginning in 1980.

The 1983 budget requests the rescission of $105,160,000 in contract authority and $2,830,360,000 in budget authority under the rent supplement program. The proposed rescission represents residual balances of authority available as a result of the planned conversion of 60,000 rent supplement units to section 8 in fiscal year 1983.

COMMITTEE RECOMMENDATION

The Committee recommends a rescission of $2,830,360,000 in budget authority and $105,160,000 in contract authority. The House deferred consideration of this rescission pending the adoption of authorizing legislation. The Committee agrees with the basic thrust of the administration's proposal to accelerate the conversion of units from the rent supplement program to section 8. In Public Law 97–216, the Congress authorized the conversion of 60,000 units in fiscal year 1982. The Committee recommends the same rate of conversion in fiscal year 1983.

HOUSING PAYMENTS (LIQUIDATION OF CONTRACT AUTHORITY)

1982 appropriation	$8,759,000,000
1983 budget estimate	9,538,000,000
House allowance	9,538,000,000
Committee recommendation	9,538,000,000

The Committee recommends an appropriation of $9,538,000,000. This is the same as the budget estimate and the House allowance.

PROGRAM DESCRIPTION

This appropriation provides liquidating cash to meet contractual payments falling due in fiscal year 1983 under the section 8 lower income housing assistance program; the public housing program; the rent supplement program; the section 236 rental housing assistance program; the section 235 homeownership assistance program; and the college housing grant program.

COMMITTEE RECOMMENDATION

The Committee recommends the budget request of $9,538,000,000 for funds to make payments required by the execution of contracts in prior years. The amount recommended will provide housing payments for an estimated 3,668,480 eligible units, including 1,750,480 section 8 units and 1,276,000 public housing units. The aggregate number of units eligible for payment in fiscal year 1983 represents an increase of 121,780 units over the estimate for fiscal year 1982.

HOUSING FOR THE ELDERLY OR HANDICAPPED FUND

(LIMITATION ON LOANS)

1982 limitation	$799,231,000
1983 budget estimate	453,000,000
House allowance	453,000,000
Committee recommendation	724,800,000

The Committee recommends a loan limitation of $724,800,000. This is $271,800,000 more than the budget estimate and the House allowance.

PROGRAM DESCRIPTION

The section 202 program provides direct Federal loans to nonprofit organizations who sponsor the construction and management of housing projects to serve elderly or handicapped families and individuals. The housing projects are designed to provide an assured range of necessary services for the occupants, including health, continuing education, welfare, recreation, counseling, referral, transportation to social services, and means to encourage and assist occupants to use the services and facilities made available. Projects developed under section 202 also carry a section 8 subsidy, which enables the rents of lower-income elderly or handicapped tenants to be reduced to a maximum of 27 percent of their income, during fiscal year 1983. Applications under the two programs are processed simultaneously.

COMMITTEE RECOMMENDATION

The Committee recommends $724,800,000 as the loan limitation for the elderly and handicapped program. This would provide for a total of 16,000 units in fiscal year 1983, as opposed to the requested level of 10,000 units and $453,000,000 of loan limitation proposed by the administration and recommended by the House. Of the amount recommended $42,809,000 would be loaned for housing designed expressly for nonelderly handicapped individuals. The amount recommended will provide for an estimated 945 units for nonelderly handicapped persons.

The Committee also retained House language limiting the program to qualified nonprofit sponsors.

CONGREGATE SERVICES

1982 appropriation	
1983 budget estimate	
House allowance	$3,500,000
Committee recommendation	3,500,000

The Committee recommends an appropriation of $3,500,000. This is $3,500,000 more than the budget estimate and the same as the House allowance.

PROGRAM DESCRIPTION

The Congregate Housing Services program was authorized by the Housing and Community Development Amendments of 1978 to provide 3- to 5-year contracts to fund services for eligible residents of public housing and section 202 housing for the elderly or handicapped projects. The program is designed to promote and encourage handicapped elderly, nonelderly handicapped, or temporarily disabled individuals to maintain maximum independence within a home environment when they are capable of semi-assisted independent living given appropriate supportive services.

A demonstration program that began in 1980 is being conducted to test the provision of supportive services for congregate facilities through the Department of Housing and Urban Development. The demonstration includes two full meals 7 days a week and those additional supportive services such as housekeeping aid, personal assistance or other services deemed essential for eligible individuals to maintain semi-assisted independent living standards. Services provided are limited to those areas not duplicative of services provided by other programs and available to the grantee.

The Congregate Housing Services program is limited to eligible residents of public housing and housing for the elderly or handicapped projects. Eligible project residents are handicapped elderly individuals, nonelderly handicapped individuals or temporarily disabled individuals.

COMMITTEE RECOMMENDATION

The Committee recommends $3,500,000 for the congregate services program in fiscal year 1983. The amount recommended will provide for the extension of 28 housing projects in this program for another 1½ to 2 years.

PAYMENTS FOR OPERATION OF LOW-INCOME HOUSING PROJECTS

1982 appropriation	[1] $1,350,306,000
1983 budget estimate	1,075,000,000
House allowance	1,350,000,000
Committee recommendation	1,288,000,000

[1] Excludes $140,600,000 provided in Public Law 97-101 as a fiscal year 1981 supplemental.

The Committee recommends an appropriation of $1,288,000,000. This is $213,000,000 more than the budget estimate and $62,000,000 less than the House allowance.

PROGRAM DESCRIPTION

Under section 9 of the Housing Act of 1937, as amended, public housing operating subsidies are provided to public housing agencies (PHA's) to assist in financing the operation of PHA-owned projects and are required to augment PHA income to help maintain adequate operating and maintenance services and provide for minimum operating reserves. These payments are in addition to the annual contributions for debt service provided by the Department to cover the development, acquisition, or modernization costs of projects.

Operating subsidies provided to public housing agencies are based on a performance funding system formula (PFS) which establishes subsidy payments based on what it would cost a well-managed public housing authority to operate its owned units. Each PHA receives no more operating subsidies than the PFS formula indicates should be required to effectively operate a well-managed PHA of comparable size, location, and characteristics.

The administration's 1983 request of $1,075,000,000 reflects several measures aimed at reducing program costs. Reflecting the second-year increment of raising the rent-income ratio to 30 percent of income for all tenants by 1986, current public housing tenants will pay 27 percent of adjusted income as rent. In addition, the rent of new tenants will be based on 30 percent of income in 1983.

COMMITTEE RECOMMENDATION

The Committee recommends a level of $1,288,000,000 for public housing operating subsidies. The amount recommended is based on the levels contained in the Senate authorization bill S. 2607. That bill authorizes $4,250,000,000 for a 3-year period, with the fiscal year 1983 level set at 30.3 percent of the total (or $1,288,000,000). The Committee further agrees with the concept embodied on S. 2607 that would require the Secretary to set aside a portion of this amount for troubled public housing authorities.

In order to assure an expeditious distribution of these funds, the Committee has included bill language requiring the Department to obligate to each public housing authority its allocation 45 days before the beginning of the authority's fiscal year. These allocations should reflect the agreement reached in the joint HUD/public housing authority/congressional staff meeting of July 26, 1982, as summarized in the July 28, 1982 memo from the Department. This agreement incorporates a 5-percent penalty for increased utility consumption. It is the Committee's intent that the amount available as a result of these penalties (estimated to be $20,000,000), shall be used for troubled public housing projects. The Committee does not expect that the delays in allocating funds that were so prevalent in fiscal year 1982 will occur in fiscal year 1983.

The Committee expects the Department to use these funds to provide assistance to troubled housing authorities in such areas as management improvements, deferred maintenance, rent collection, and energy improvements. The Committee expects the Department to negotiate agreements with each of the housing authorities that would include specific programs and activities that are to be undertaken by the authority and the expected benefits of such actions. The Committee expects that the entire amount withheld will be committed to specific authorities during fiscal year 1983.

The Committee recognizes that past estimates of operating subsidy needs have reflected arbitrary budgetary limitations rather than documented needs. Furthermore, the estimates, although often prepared by the Department in time for use in the congressional budget review process, have not been officially released until after Congress has acted. Based on the lack of accurate and timely estimates in the past, the Congress has provided supplemental appropriations, in excess of $100,000,000 during each of the last 3 years. Given this history, the Committee fully expects to be faced with a supplemental requirement for this program later in fiscal year 1983. The Committee directs the Department to update the estimate contained in the 1983 budget request and submit a new estimate, including the relevant assumptions, by May 2, 1983.

With regard to Indian housing, the Committee is concerned about the continued operation of the Douglas Skye Memorial Retirement Complex in Fort Yates, North Dakota. The Department is urged to consider providing necessary funding in fiscal year 1983 to maintain the operation of the complex or to consider providing current funding levels until such time as a transfer of the facility to another entity has been agreed to.

TROUBLED PROJECTS OPERATING SUBSIDY

1982 appropriation	$4,000,000
1983 budget estimate	
House allowance	
Committee recommendation	

The Committee recommends no funds for this program in fiscal year 1983.

PROGRAM DESCRIPTION

The Secretary provides assistance payments to owners of certain HUD-insured or HUD-held financially troubled multifamily subsidized housing projects in order to prevent potential losses to the FHA fund resulting from project insolvency and to preserve these projects as a viable source of housing for low- and moderate-income tenants. These payments are designed to fund deferred maintenance and replacement, replacement reserves, and operating deficits where owners can demonstrate to the Department that projects are well managed or that improvements in management will be made, allowing the projects to become self-sustaining.

Projects eligible for flexible subsidy assistance include those which are subsidized under the section 236, section 221(d)(3) below market interest rate and rent supplement programs, and have mortgages insured or held by the Department. Non-HUD-insured projects developed by State agencies and receiving assistance under one of the aforementioned programs also are eligible. However, the Department is proposing to eliminate the eligibility of such noninsured projects.

During 1983, the Department plans to fund activities through the use of excess rental income from the rental housing assistance fund. No additional appropriation is requested to support planned 1983 activity.

COMMITTEE RECOMMENDATION

The budget does not propose an appropriation for this program in 1983. However, language has been included to make available funds from unobligated balances of excess rental charges and collections. In addition, language making noninsured State projects eligible for subsidy is continued for fiscal year 1983. As a result of carryover and transfers, the Committee expects a program level of $32,000,000 in fiscal year 1983. This will provide comprehensive assistance to an estimated 98 projects.

HOUSING COUNSELING ASSISTANCE

1982 appropriation	$3,520,000
1983 budget estimate	....
House allowance	3,500,000
Committee recommendation	3,500,000

The Committee recommends an appropriation of $3,500,000. This is $3,500,000 more than the budget estimate and the same as the House allowance.

PROGRAM DESCRIPTION

Under section 106(a) of the Housing and Urban Development Act of 1968, as amended, the Department has been authorized to contract with public and private agencies to provide counseling and advice to tenants and homeowners with respect to property maintenance, financial management, and such other matters as may be appropriate to assist them in improving their housing conditions and in meeting the responsibilities of tenancy or homeownership.

The Department proposes to terminate the housing counseling assistance program and no further funding is requested in 1983.

COMMITTEE RECOMMENDATION

The Committee concurs with the House in providing $3,500,000 for the housing counseling assistance program. The Committee has received testimony that this program has been a cost-effective means of avoiding foreclosures (and thus reducing outlays from the FHA fund), reducing delinquent payments and improving housing conditions. Under the funding level provided by the Committee 45,000 clients will receive counseling in over 140 HUD-supported counseling programs.

In order to better understand the benefit derived from the various counseling activities conducted under this program, the Committee requests that the Department conduct an evaluation and report back by March 31, 1983.

FEDERAL HOUSING ADMINISTRATION FUND

1982 appropriation	$222,148,000
1983 budget estimate	240,022,000
House allowance	240,022,000
Committee recommendation	240,022,000

The Committee recommends an appropriation of $240,022,000. This is the same as the budget estimate and the House allowance.

PROGRAM DESCRIPTION

The Federal Housing Administration fund covers the mortgage and loan insurance activities of about 40 HUD mortgage/loan insurance programs, including coinsurance, which are grouped into the mutual mortgage insurance fund, cooperative management housing insurance fund, general insurance fund, and the special risk insurance fund.

The appropriation reimburses the FHA fund for losses sustained by the special risk insurance fund and the general insurance fund. These losses are largely attributable to the sale of HUD-acquired properties and the liquidation of assigned mortgages. The general insurance fund provides for a large number of specialized mortgage insurance programs, including the insurance of loans for property improvements as well as for cooperatives, condominiums, housing for the elderly, land development, group practice medical facilities, and nonprofit hospitals. The special risk insurance fund provides mortgage insurance on behalf of mortgagors eligible for interest reduction payments who otherwise would not be eligible for mortgage insurance; insurance on mortgages covering experimental housing where strict adherence to State or local building regulations is not observed; and insurance for high-risk mortgagors who normally would not be eligible for mortgage insurance.

During September 1982, the administration intends to implement the temporary mortgage assistance payments program (TMAP), designed to prevent precipitous foreclosure by helping insured homeowners who have experienced temporary financial difficulties and cannot make their full monthly mortgage payments. This program is being viewed by the administration as a viable alternative to the current home mortgage assignment program. Under the TMAP program, HUD would make monthly payments on behalf of single family mortgagors who are at least 3 months in arrears as a result of economic reversals which temporarily prevent the mortgagors from making up their delinquency.

Beginning in fiscal year 1983, the Department plans to revise the method for collecting mortgage insurance premiums on home loans. The Department proposes collection of premiums at loan settlement in an amount reflecting the discounted present value of premium collections over the expected life of the loan. The amount of premium due at settlement will be an eligible expense included in the approved loan amount.

The Department also is proposing a limitation of $35,000,000,000 for gross mortgage and loan insurance commitments approved during fiscal year 1983. This request represents a reduction of $5,000,000,000 from the limitation of $40,000,000,000 approved in the fiscal year 1982 Appropriation Act. While the 1983 request represents a reduced limitation compared to fiscal year 1982, the Department estimates that use of the fiscal year 1982 limitation will not exceed $29,000,000,000 based upon demand for mortgage credit. The Department's fiscal year 1983 estimate for a $35,000,000,000 limitation assumes that this ceiling will be sufficient to support expectations for increased demand during that year.

COMMITTEE RECOMMENDATION

The Committee approved the full budget request of $240,022,000. The budget also requested language limiting mortgage assistance payments to $45,000,000. The temporary mortgage assistance payments (TMAP) program was authorized to prevent further assignments of single family mortgages by helping those homeowners who have experienced temporary financial problems and cannot meet monthly mortgage payments. The Committee approved the use of funds for this purpose and has included bill language.

The budget proposed credit control language to limit commitments for mortgage insurance to $35,000,000,000. Testimony indicated that it is unlikely that the limitation would be reached. However, the Committee is concerned, as was the House, that the proposed limitation could have a negative affect on the already depressed housing industry. During the Committee's credit allocation under section 302(b) of the Budget Act, the Committee elected to reduce the amount of new primary loan commitments assigned to the HUD-Independent Agencies Subcommittee from the $56,900,000,000 assumed under the budget resolution (S. Con. Res. 92) to $56,700,000,000. This $200,000,000 reduction is reflected in the $39,800,000,000 level for FHA loan guarantees recommended by the Committee. The Department is directed to notify the Committee if it appears the limitation will require a moratorium on commitments.

The Department's Inspector General issued a report on July 19 concluding that two proposed negotiated sales of HUD-held, multifamily projects were undertaken without a meaningful determination of project value being made and without HUD adequately determining the degree of risk involved from possible future foreclosures. In determining price, the Inspector General said HUD had inadequately considered the value of important benefits to be derived by the proposed purchasers such as tax advantages, possible syndication proceeds, profits from condominium conversions and advantageous sales terms.

On August 16, 1982, the General Accounting Office issued a report providing information on HUD's policies and procedures for conducting negotiated sales and statistical data on the extent that the Department has used this method to dispose of projects. This report states that HUD's regulations, policies, and procedures for negotiated sales do not address important matters such as project sales to Government entities who subsequently pass through the projects to nongovernmental entities, when in the negotiation process waivers should be obtained, whether attempts must always be made to competitively bid sales prior to entering into negotiations, and how tax shelter advantages should be valued in negotiated sales with private, profit-motivated entities.

The report states that during October 1, 1976 through April 30, 1982, 184 sales, or about 31 percent of the total 582 sales, made were on a negotiated basis. Although only 18 sales were negotiated in fiscal year 1981 and 5 sales in fiscal year 1982, as of April 30, 1982, the report states that 30 negotiated sales were pending consideration. The report said a recent policy memo by HUD indicates that the negotiated sales method will be expanded in the future.

Given the lack of specificity concerning HUD's regulations, policies, and procedures as shown in the GAO and HUD Inspector General reports, the extent negotiated sales have been used in the past and more importantly plans which seem to indicate expansion of this sales method in the future; and the Office of Housing's disagreement with the findings of the Inspector General's report as indicated in their response to the draft report, the Committee directs the Department to report on a quarterly basis to the Committee on all proposed sales that are being conducted on a negotiated basis. This system should, at minimum, identify the project and its location, the name and address of the proposed purchaser, the type of entity purchasing the property, the proposed sales price and financing terms, and the basis, including where appropriate a copy of the waiver, for negotiating rather than competitively bidding the sale. This quarterly report should identify all proposed negotiated sales as early in the process as possible and provide for a monthly update noting any major changes relating to the terms of the sale; and provide the Committee with a detailed response to each of the recommendations contained in the July 19, 1982, Inspector General report. This response should specifically outline the planned actions to be taken by the Department regarding each recommendation and a timetable for implementation. This report is to be updated on a quarterly basis providing information on the status of each planned action until fully implemented.

LOW RENT PUBLIC HOUSING—LOANS AND OTHER EXPENSES

The low-rent public housing loan fund provides Federal financing for the construction, acquisition, or modernization of public housing projects owned by public housing agencies (PHA's) until the projects can be financed in the private market with short-term tax exempt notes and in the long-term market through the sale of instruments to the Federal Financing Bank (FFB). Although funds to make debt service payments on tax-exempt bonds and notes are provided from the housing payments appropriation, additional payments are required to cover the differential between tax-exempt bonds with interest set at an artificially low 6.625 percent rate and selling bonds to the FFB at a federally-taxable interest rate in accordance with section 16 of the Federal Financing Bank Act of 1973.

The budget proposes appropriation language for 1983 to transfer $1,400,000,000 of unobligated budget authority from the annual contributions for assisted housing account to the low-rent public housing loan fund account. Included in this request are the necessary funds to make payments to the FFB. The proposed transfer is expected to support estimated sales to the FFB of $1,485,000,000 in 1984.

COMMITTEE RECOMMENDATION

The Committee does not approve the proposed transfer. The level of public housing commitments recommended by the Committee in 1982 and proposed in 1983 does not appear to put the Department in the position of exceeding the $20,000,000,000 limitation based on the statutory borrowing authority for the loan fund. Currently the balance of the loan fund is $18,885,000,000 which is $1,115,000,000 below the $20,000,000,000 limitation.

Because the Congress denied the requested Federal Financing Bank (FFB) transfer of $1,400,000,000 during fiscal year 1982, the projected $1,026,000,000 of sales to FFB in fiscal year 1983, assumed in the first budget resolution (S. Con. Res. 92), will not occur. Since this action occurred in fiscal year 1982 there is no need to provide any 1983 credit control language limiting or reducing the amount of loan sales to the FFB in 1983.

GOVERNMENT NATIONAL MORTGAGE ASSOCIATION

PAYMENT OF PARTICIPATION SALES INSUFFICIENCIES

1982 appropriation	$1,964,000
1983 budget estimate	2,726,000
House allowance	2,726,000
Committee recommendation	2,726,000

The Committee recommends an appropriation of $2,726,000. This is the same as the budget estimate and the House allowance.

PROGRAM DESCRIPTION

In accordance with the Housing Act of 1964, the participation sales program provides for the pooling of mortgages or other types of obligations of certain Government departments and agencies, and the sale by GNMA of beneficial interests or participations in these pools. The Participation Sales Act of 1966 authorized appropriations to cover payments for insufficiencies in the amount required to be paid on the outstanding participations. These insufficiencies are comprised of interest payments to holders of participation certificates in excess of the interest payments received from the pooled mortgages or other obligations.

COMMITTEE RECOMMENDATION

The Committee recommends the budget request of $2,726,000 to cover the insufficiencies that arise from participation sales of mortgages.

GUARANTEES OF MORTGAGE-BACKED SECURITIES

(LIMITATION ON GUARANTEED LOAN)

1982 limitation	$68,250,000,000
1983 budget estimate	38,400,000,000
House allowance	68,250,000,000
Committee recommendation	68,250,000,000

The Committee recommends a loan limitation of $68,250,000,000 for the mortgage-backed securities program. This is $29,850,000,000 more than the budget estimate and the same as the House allowance.

PROGRAM DESCRIPTION

The Government National Mortgage Association (GNMA) through the mortgage-backed securities program, guarantees privately issued securities backed by pools of mortgages. GNMA is a wholly-owned corporate instrumentality of the United States within the Department of Housing and Urban Development. Its powers are prescribed generally by title III of the National Housing Act, as amended. GNMA is authorized by section 306(g) of the act to guarantee the timely payment of principal and interest on securities that are based on and backed by a trust or pool composed of mortgages that are guaranteed by the Federal Housing Administration, the Farmers Home Administration, or the Veterans Administration. GNMA's guarantee of mortgage-backed securities is backed by a full faith and credit of the United States.

COMMITTEE RECOMMENDATION

The administration has proposed a fiscal year 1983 level of $38,400,000,000 for GNMA mortgage-backed securities. The fiscal year 1982 level contained in Public Law 97–101 was $68,250,000,000 and the budget resolution (S. Con. Res. 92) contained this 1982 level as the fiscal year 1983 estimate. The Committee is concerned that the limitation contained in the budget could have a negative affect on the already depressed housing industry and has recommended a $68,250,000,000 limitation. The Department is directed to notify the Committee promptly if it appears the limitation will require a moratorium on commitments.

SOLAR ENERGY AND ENERGY CONSERVATION BANK

ASSISTANCE FOR SOLAR AND CONSERVATION IMPROVEMENTS

1982 appropriation	$21,850,000
1983 budget estimate	....
House allowance	25,000,000
Committee recommendation	15,000,000

The Committee recommends a $15,000,000 appropriation for this account. This is $15,000,000 over the budget estimate and $10,000,000 less than the House allowance.

PROGRAM DESCRIPTION

The Solar Energy and Energy Conservation Bank was established by title V of the Energy Security Act of 1980. The Bank was established to encourage energy conservation and the application of solar technology in commercial, residential, and agricultural buildings. The Bank is authorized to provide subsidies to financial institutions, local governments, and utilities which make available below-market interest rates or reduced principal loans and grants for the purchase and installation of either solar energy systems or energy conservation improvements.

For fiscal year 1982, six staff positions have been provided to the Solar Energy and Energy Conservation Bank for its implementation and operation. Funding for administrative expenses in 1982 will be out of the 1982 appropriation. A manager of the Bank has been appointed and action is being taken to fill the positions and make the Bank operational. Given the time needed for startup activities and the publishing of regulations, it is expected that most obligations out of the $21,850,000 available in 1982 will occur in fiscal year 1983.

COMMITTEE RECOMMENDATION

The Committee recommends $15,000,000 in additional funding for the Bank in fiscal year 1983. The history of the Bank has been a prime example of funding fits and starts. Funds for the Bank ($121,250,000) were originally appropriated in Public Law 96–526 on December 15, 1980. The Supplemental Appropriations and Rescission Act of 1981, Public Law 97-12, dated June 5, 1981, rescinded $121,000,000. On December 23, 1981, the Congress appropriated $21,850,000 in Public Law 97-101. On February 8, 1982, the administration requested the rescission of the remaining funds for the Bank (R82-22). This rescission was not approved.

To date, the Bank has 3 full-time employees and none of the available funds have been obligated. The Department expects virtually all of the 1982 appropriation of $21,850,000 to be available in fiscal year 1983. With this program level, the Bank could support 4,000 solar improvements and 17,000 energy conservation improvements. The Committee estimates that the addition of $15,000,000 could result in 15,000 additional energy improvements. The Committee reminds the Department of the statement of the conferees in House Report 97-222 which directed the Secretary to expedite all Bank implementation activities by moving rapidly to publish regulations, secure an agent, staff the Bank, and disburse loans and subsidies at the earliest possible date.

COMMUNITY PLANNING AND DEVELOPMENT

COMMUNITY DEVELOPMENT GRANTS

1982 appropriation	$3,456,000,000
1983 budget estimate	3,456,000,000
House allowance	3,445,000,000
Committee recommendation	3,456,000,000

The Committee recommends an appropriation of $3,456,000,000. This is the same as the budget estimate and $11,000,000 more than the House allowance.

PROGRAM DESCRIPTION

Under title I of the Housing and Community Development Act of 1974, as amended, the Department is authorized to award block grants to units of general local government and States for the funding of local community development programs. The community development grants finance activities previously eligible under separate categorical grant programs. Spending priorities are determined at the local level, but the law enumerates general objectives which the block grants are designed to fulfill, including adequate housing, a suitable living environment and expanded economic opportunities for lower-income groups. Grant recipients are required to estimate their low-income housing needs and address them in the overall community development plan they submit to receive their grant.

The Housing and Community Development Act of 1977 changed the original single statutory formula for distributing grant funds to eligible recipients, in recognition that the original formula did not adequately assess the relative needs of older urban centers. Under provisions of the 1977 act, funds are distributed to eligible recipients for community development purposes utilizing the higher of two objective formulas, one of which gives somewhat greater weight to the age of housing stock. The act also authorized additional funding for nonentitlement communities to help smaller communities deal with their problems in a more comprehensive manner.

The Housing and Community Development Amendments of 1981 include a scaled-down Secretary's discretionary fund, an entitlement program for large cities and urban counties, a block grant (nonentitlement) program for the States to assist their smaller localities, and a revised method of fund distribution.

Beginning in 1982, funds appropriated are distributed 70 percent to entitlement communities and 30 percent to nonentitlement communities after deducting a designated amount for the Secretary's discretionary fund.

COMMITTEE RECOMMENDATION

The Committee has recommended the full budget request for community development grants. This amount is $11,000,000 more than the House allowance.

The House directed that the entire $11,000,000 cut be applied to the Secretary's discretionary fund, thereby reducing the amount available from $56,500,000 to $45,500,000. The House further directed that not more than 5 percent of the $11,000,000 reduction should be taken from the $30,700,000 estimated for Indian assistance. The Committee notes that the amounts available in the discretionary fund have decreased from $101,920,000 in fiscal year 1981 to the current request level of $56,500,000, which is the same as the 1982 level. The Committee is concerned that a reduction of the magnitude recommended by the House could seriously impact technical assistance to communities.

The Committee commends the Department's support of its district heating/cooling initiative and recognizes the community development benefits these systems bring to urban areas. The Committee expects HUD to maintain this modest but effective program at a level which permits continued participation by communities at a level comparable to that achieved during fiscal year 1982.

URBAN DEVELOPMENT ACTION GRANTS

1982 appropriation	[1] $440,125,000
1983 budget estimate	440,000,000
House allowance	340,000,000
Committee recommendation	440,000,000

[1] Includes reappropriation of $5,025,000.

The Committee recommends an appropriation of $440,000,000. This is the same as the budget estimate and $100,000,000 more than the House allowance.

PROGRAM DESCRIPTION

Under section 119 of the Housing and Community Development Act of 1974, as amended, the Department is authorized to award urban development action grants (UDAG). The Housing and Community Development Amendments of 1981 include a revised action grant program which relies on increased local flexibility and minimizes Federal involvement.

The primary objective of UDAG is to revitalize distressed communities by stimulating economic development, which in turn will create new permanent jobs and new sources of tax revenue. Grants assist severely distressed cities, towns, and urban counties in the revitalization of their economic bases and the reclamation of deteriorated neighborhoods.

Under provisions of the Housing and Community Development Amendments of 1979 assistance may be provided also for economic development and neighborhood revitalization projects targeted to severely distressed areas, or pockets of poverty in otherwise nondistressed communities. The Secretary is authorized to use up to 20 percent of the UDAG funds appropriated for the purpose of making grants to eligible pockets of poverty jurisdictions.

A major focus of the UDAG program, and one that tends to distinguish it from other urban aid programs, is the requirement that leveraging of private investment in discrete projects in distressed cities and urban counties must be in evidence before UDAG funding is approved.

COMMITTEE RECOMMENDATION

The Committee recommends the requested level of $440,000,000 for the UDAG program. In its report the House Committee notes that a carryover of approximately $100,000,000 will be generated from unused and unobligated funds currently earmarked for small cities' grants under the UDAG program. Apparently, the number of proposals received from small cities which are of fundable quality has not kept pace with the legislative requirement that 25 percent of UDAG moneys must be reserved for such cities. In view of this, the House recommended that this undersubscribed condition be corrected in fiscal year 1983 by reducing the 1983 appropriation for UDAG by $100,000,000. The House also included language which permits the allocation of 1983 funds notwithstanding the 75/25 large city/small city breakout currently carried in the basic authorization for this program.

The Committee believes that the UDAG program represents a highly successful Federal program. The Secretary's report of January 1982 supports this conclusion. Using historical data, the $100,000,000 restored by the Senate would fund approximately 74 projects, leverage $604,000,000 in private capital and create 14,400 temporary and permanent jobs.

In response to the concerns raised by the House, the Committee urges the Department to review the small cities component of the UDAG program in order to streamline the application/award process.

The Committee notes that at least $100,000,000 of the unobligated balances will be available through all of fiscal year 1983 and it is not expected that any of these carryover funds would lapse in fiscal year 1984. Consequently the Committee recommends striking the House language which overrides the 75/25 large/small city split established in the authorizing legislation.

REHABILITATION LOAN FUND

Section 312 of the Housing Act of 1964, as amended, authorized the Secretary to make loans for the rehabilitation of single family and multifamily residential properties and nonresidential properties in federally aided community development grant, urban homesteading, urban renewal and code enforcement areas certified by local governments. In fiscal year 1982, financial assistance was available for rehabilitation of multifamily residential units, and single family units which are located in urban homesteading areas. Section 312 assistance is available only when financing cannot be obtained, on comparable terms and conditions, from other sources. In most cases, the rehabilitation work must make the property conform to applicable rehabilitation standards established by the community. In fiscal year 1982, loans under the program were made at interest rates as low as 3 percent for terms not exceeding 20 years for families whose income was 80 percent or less of area median income. All other loans had an interest rate of 11 percent except for multifamily dwellings where the interest rate was 5 percent when the amount of nonsubsidized funds for rehabilitation was equal to or greater then the section 312 loan.

The Department proposes to terminate the rehabilitation loan program at the end of fiscal year 1982. The administration believes that the section 312 program duplicates rehabilitation efforts funded by community development block grants. Although recognizing that considerable rehabilitation efforts have been funded in the block grant program, the Committee agrees with the House that the section 312 program merits continuation. Therefore, continuation of the program on a reduced scale is recommended. An estimated $77,100,000 from repayments and other income sources will be available in 1983 for new loans and other expenses. It is estimated that at this level the program could fund 880 loans which would rehabilitate 4,830 units. The Committee has retained House language in the bill which continues the program in 1983 with repayments. The Department is directed to allocate sufficient staff to maintain the reduced program level.

URBAN HOMESTEADING

1982 appropriation	....
1983 budget estimate	$12,000,000
House allowance	12,000,000
Committee recommendation	12,000,000

The Committee recommends an appropriation of $12,000,000 for the urban homesteading program. This amount is the same as the budget estimate and the House allowance.

PROGRAM DESCRIPTION

Section 810 of the Housing and Community Development Act of 1974, as amended, authorizes the Secretary to transfer, without payment, to a unit of general local government, State or public agency, any HUD-owned, unoccupied, one- to four-family residences for use in an approved urban homesteading program.

In addition, section 810 authorizes the Administrator of Veterans Affairs and the Secretary of Agriculture to transfer their unoccupied, one- to four-family residences for use in HUD-approved urban homesteading programs.

The funds appropriated for urban homesteading will reimburse the Federal Housing Administration fund for HUD-owned properties, the Administrator of Veterans Affairs for Veterans Administration (VA) properties, and the Secretary of Agriculture for Farmers Home Administration (FmHA) properties used by approved homesteading localities.

The budget estimates the transfer of 818 single family properties in 1983, which includes approximately 150 VA and 75 FmHA properties.

The budget also proposes that $3,000,000 of the appropriation be used to support a multifamily homesteading demonstration. This amount would permit the transfer of 15 HUD-held multifamily properties, averaging 30 units each. This proposed demonstration would be used to address deteriorated multifamily housing stock.

COMMITTEE RECOMMENDATION

The Committee recommends the budget request level of $12,000,000 for the urban homesteading program. In making this recommendation, the Committee recognizes that the multifamily program is, in fact, a demonstration and the extent to which the conversion of the estimated 15 properties will actually be feasible is, indeed, unknown. In the event that these conversions prove infeasible, the Committee expects the Department to apply the remainder of the $3,000,000 set-aside to the basic one- to four-family residence program.

POLICY DEVELOPMENT AND RESEARCH

RESEARCH AND TECHNOLOGY

1982 appropriation	$20,000,000
1983 budget estimate	20,000,000
House allowance	20,000,000
Committee recommendation	18,000,000

The Committee recommends an appropriation of $18,000,000. This is $2,000,000 less than the budget estimate and the House allowance.

PROGRAM DESCRIPTION

Title V of the Housing and Urban Development Act of 1970, as amended, directs the Secretary of the Department of Housing and Urban Development to undertake programs of research, studies, testing, and demonstrations related to the Department's mission. These functions are carried out through grants to and contracts with industry, nonprofit research organizations, educational institutions, and through agreements with State and local governments and other Federal agencies. The research program serves as a focal point for research, analysis, data collection, and dissemination of concerns and issues related to the major programs and objectives of the Department.

In 1983, the research and technology program will provide analytic support to the Department's effort to improve the operation of its programs. Particular areas of study in 1983 will include: (1) strategies for increasing the efficiency and effectiveness and decreasing the cost of Federal housing programs through current program reform and alternative program development; (2) simplifying building regulations and reducing housing costs, including ways to reduce the component costs of housing; (3) providing essential information about the quality and supply of the Nation's housing stock; (4) improving HUD's equal opportunity and fair housing compliance programs; (5) programs and techniques successfully used by neighborhood organizations, local governments, and private sector that have improved the quality of life in neighborhoods will be identified for possible replications elsewhere; (6) analysis of new or improved alternatives for urban economic development, including initiation of the administration's enterprise zone program; and, (7) identification of better techniques for the management of communities and for the delivery of local government services. The Department will continue to utilize in-house staff and contract research.

COMMITTEE RECOMMENDATION

The Committee has provided $18,000,000 for the Department's research and technology program.

The Committee continues to be concerned that the Department intends to spend such a large portion of its resources on the annual housing survey. In addition, the Committee notes a lack of focus in the Department's policy development and research program. The Committee recommends that the activity structure of the program be changed to reflect the generic functions of the program (for example, policy guidance within the Department; short-term applied research and demonstration; and longer-term social, technological and economic research). As an example of short-term research, the Committee directs the Department's attention to the evaluation study requested on the effectiveness of the housing counseling program previously discussed in this report. An example of a longer-range economic study involves the evaluation of the economic impact of enterprise zones. During this year's Committee hearings, the Department was urged to undertake an evaluation of enterprise zones. Subsequently, GAO issued a report (July 15, 1982) stressing the need for such an evaluation. The Committee believes that each of the Department's initiatives should be accompanied by an objective evaluation effort and will support higher budget levels for this account when such an orientation is adopted by the Department.

During the past several years, HUD has provided financial support to the Housing Assistance Council. The Council is a nonprofit organization which attempts to improve housing, credit availability and sanitation facilities in rural areas.

The Committee directs HUD to apply $1,000,000 of the funds provided to support the activities of the Housing Assistance Council. Through this support, the Council can continue its existing activities such as: (1) providing technical assistance to organizations which deliver rural housing services to low-income persons; (2) providing counseling, technical assistance and a rural housing information service.

The Committee also directs the Department to set aside $192, the urban consortium. The consortium has been an effective mechanism for assisting the Department in the development of an R. & D. agenda that takes into consideration the priority problems common to the 28 major cities and 9 counties represented by the consortium. The consortium has a capacity to bring together diverse groups of local officials in these 28 major urban centers to focus on R. & D. issues, to provide test sites for promising applications and to accelerate implementation of demonstrated problem solutions. The level recommended would maintain funding for the consortium at the fiscal year 1982 level.

While not earmarking a specific amount for the National Institute of Building Sciences, the Committee notes that the Institute represents a valuable and unique resource and urges the Department to utilize their services.

FAIR HOUSING AND EQUAL OPPORTUNITY

FAIR HOUSING ASSISTANCE

1982 appropriation	$5,016,000
1983 budget estimate	5,700,000
House allowance	5,700,000
Committee recommendation	5,700,000

The Committee recommends an appropriation of $5,700,000. This is the same as the budget estimate and the House allowance.

PROGRAM DESCRIPTION

The fair housing assistance program helps State and local agencies to implement title VIII of the Civil Rights Act of 1968, which prohibits discrimination in the sale, rental, and financing of housing and in the provision of brokerage services. The major objective of the program is to assure prompt and effective processing of title VIII complaints with appropriate remedies for complaints by State and local fair housing agencies. The program also provides assistance to community housing resource boards, which enhance the ability of the Department to carry out its voluntary compliance and enforcement program. The community housing resource boards consist of representatives of community organizations throughout a metropolitan area and serve in an advisory capacity to the housing industry, reviewing the progress and effectiveness of voluntary compliance and enforcement agreements.

COMMITTEE RECOMMENDATION

The Committee recommends the budget estimate of $5,700,000 for this activity. This includes $3,700,000 in grants to support approximately 70 State and local fair housing agencies for capacity building, training and complaint processing and monitoring. In addition, $2,000,000 is provided to support community housing resource boards.

MANAGEMENT AND ADMINISTRATION

SALARIES AND EXPENSES

		By transfer FHA funds
1982 appropriation	$319,500,000	($266,752,000)
1983 budget estimate	321,001,000	(267,723,000)
House allowance	308,501,000	(267,723,000)
Committee recommendation	307,500,000	(267,723,000)

The Committee recommends an appropriation of $307,500,000. This is $13,501,000 less than the budget estimate and $1,001,000 less than the House allowance.

PROGRAM DESCRIPTION

The appropriation proposed by the Committee would finance all salaries and related expenses associated with administering the programs of the Department of Housing and Urban Development, including the following activities:

1. *Housing and mortgage credit programs.*—This activity includes staff salaries and related expenses associated with administering housing programs and the Government National Mortgage Association (GNMA).

2. *Community planning and development programs.*—Funds in this activity are for staff salaries and expenses necessary to administer community planning and development programs and new community assistance programs.

3. *Equal opportunity, research, regulatory, and insurance programs.*—This activity includes salaries and related expenses associated with implementing equal opportunity programs in housing and employment as required by law and executive orders; the administration of research programs and demonstrations; the administration of housing counseling and neighborhood programs; and the implementation of consumer protection activities in the areas of interstate land sales, mobile home construction, and safety and real estate settlement procedures.

4. *Departmental management, legal and audit services.*—This activity includes a variety of general functions required for the Department's overall administration and management. These include the Office of the Secretary, Office of General Counsel, and the Office of Inspector General as well as administrative support in such areas as accounting, personnel management, contracting and procurement, and office services.

5. *Field direction and administration.*—This activity includes salaries and expenses for the regional administrators, area office managers, and their staffs who are responsible for the direction, supervision, and performance of the Department's field offices.

COMMITTEE RECOMMENDATION

The Committee recommends a reduction of $13,501,000 to be accomplished through the proposed reorganization and reductions in lower priority areas. In this regard, the Committee notes that about $12,000,000 of the Department's salaries and expense funds are estimated to lapse at the end of fiscal year 1982. In making this reduction, the Committee directs that the $4,242,000 contained in the budget estimates for training not be reduced.

The Committee has deleted House bill language specifying that no funds may be used to plan or implement a reorganization of the Department without the prior approval of the Committees on Appropriation. The Committee believes that such legislation is overly restrictive and will impair the Department's ability to institute management improvements and cost savings.

TITLE II—INDEPENDENT AGENCIES

AMERICAN BATTLE MONUMENTS COMMISSION

SALARIES AND EXPENSES

1982 appropriation	$10,586,000
1983 budget estimate	10,669,000
House allowance	10,669,000
Committee recommendation	10,669,000

The Committee recommends an appropriation of $10,669,000 for the salaries and expenses of the American Battle Monuments Commission. This is the same as the budget estimate and the House allowance.

PROGRAM DESCRIPTION

The American Battle Monuments Commission is responsible for the maintenance and construction of U.S. monuments and memorials commemorating the achievements in battle of our Armed Forces since April 6, 1917; for controlling the erection of monuments and markers by U.S. citizens and organizations in foreign countries; and for the design, construction, and maintenance of permanent military cemetery memorials in foreign countries. The Commission maintains 24 military cemetery memorials on foreign soil; 12 monuments and memorials not a part of the cemeteries; and 2 bronze tablets. In addition, the Commission administers four large memorials on U.S. soil.

On October 1, 1979, the Commission assumed responsibility for the operation, care, and maintenance of the American sector of the Corozal Cemetery in the Panama Canal Zone, as directed in Executive Order 12115. This sector, now called the Corozal American Cemetery, contains the remains of 4,848 American veterans and others.

In fiscal year 1983, emphasis will continue to be placed on bringing the Corozal American Cemetery up to Commission standards.

COMMITTEE RECOMMENDATION

The Committee recommends $10,669,000 to administer, operate and maintain the Commission's military cemeteries, monuments, and memorials throughout the world. This funding level will support the 381 positions requested and an average employment of 387 in fiscal year 1983. The Committee notes that because of the prevailing foreign exchange rates, the Commission's fiscal year 1982 budget will be augmented by $1,200,000. The Commission expects unobligated balances of around $200,000 to be carried over to fiscal year 1983.

CONSUMER PRODUCT SAFETY COMMISSION

SALARIES AND EXPENSES

1982 appropriation	$32,163,680
1983 budget estimate	33,508,000
House allowance	33,508,000
Committee recommendation	33,508,000

The Committee recommends an appropriation of $33,508,000 for the salaries and expenses of the Consumer Product Safety Commission. This is the same as the budget estimate and the House allowance.

PROGRAM DESCRIPTION

The Commission is an independent regulatory agency that was established on May 14, 1973, and is responsible for protecting the public against unreasonable risks of injury from consumer products; assisting consumers to evaluate the comparative safety of consumer products; developing uniform safety standards for consumer products and minimizing conflicting State and local regulations; and promoting research and investigation into the causes and prevention of product-related deaths, illnesses, and injuries

In carrying out its mandate, the Commission establishes mandatory product safety standards, where appropriate, to reduce the unreasonable risk of injury to consumers from consumer products; helps industry develop voluntary safety standards; bans unsafe products if it finds that a safety standard is not feasible; monitors recalls of defective products; informs and educates consumers about product hazards; conducts research and develops test methods; collects and publishes injury and hazard data, and promotes uniform product regulations by governmental units.

The 1981 amendments to the Consumer Product Safety Act (CPSA) require the Commission to analyze costs and benefits of proposed rules, consider the protection afforded by existing voluntary standards and voluntary standards which could be developed and examine all reasonable alternatives to mandatory requirements before proposing standards and major regulations, and again before issuing any such rule on a final basis.

The regulatory impact analysis of the rule must contain: (a) a description of the potential benefits of the rule and the identification of those likely to receive the benefits, (b) a description of the potential costs of the rule and the identification of those likely to bear the costs, (c) a determination of the potential net benefits of the rule, and (d) a description of the major alternative approaches that could substantially achieve the same regulatory goal at a lower cost, together with an analysis of the potential benefits and costs of the alternative approaches and a brief explanation of the reasons why such alternatives, if proposed, could not be adopted. These requirements are in addition to the statutory findings that have to be made under section 9(c). In addition, the congressional actions amended the Federal Hazardous Substances Act (FHSA) and the Flammable Fabrics Act (FFA) to incorporate (a)–(d) above.

Although the provisions of these amendments were not required by the CPSA, over the years the Commission's preliminary economic assessments that accompanied proposal of consumer product safety rules and final economic assessments that accompanied proposal of consumer product safety rules and final economic impact analyses that accompanied promulgation of consumer product safety rules, in addition to the statutory findings, have addressed in substance the provisions of the amendments. Furthermore, for several years it has been Commission policy to consider similar information for rulemaking under the FHSA, FFA, and Poison Prevention Packaging Act. Thus, these amendments will make legally binding such findings and insure that all prospective proposals and promulgations of consumer product safety rules and rules under the FHSA and FFA will not take place until such findings are made.

The Commission is emphasizing cooperation and work with voluntary standards organizations in the current fiscal year. The Commission believes that increasing cooperative efforts with these groups will accelerate use of voluntary standards in local building codes in appropriate cases, and will increase compliance with the requirements of voluntary standards by manufacturers. Additionally, increased communication between the Commission staff and voluntary standards groups may provide additional information about the existence of other alternatives to mandatory requirements, which must be considered before proposing or issuing standards and major regulations.

To meet its obligations under the Consumer Product Safety Act and the other legislative mandates listed above, the Commission has developed the following set of programs which address specific product hazards:

Emerging hazards.—This program is designed to collect and analyze information on specific new consumer product hazards that might require Commission attention.

Fire and thermal burn hazards.—The Commission's fire and thermal burn hazards program works to reduce deaths and injuries from burns involving fires or contact with hot surfaces.

Electrical hazards.—This program addresses consumer-related injuries caused by electrical shocks and electrical fires, and is aimed at reducing injuries and deaths from electrical hazards and other related hazards associated with consumer products.

Chemical hazards.—This program works to reduce consumer exposure to hazardous chemicals which may have acute effects such as burns, poisonings and deaths, and chronic adverse health effects such as cancer and birth defects.

Children's and recreational products program.—This program is primarily designed to protect children from product-related hazards, especially hazards associated with toys.

Mechanical hazards: Power equipment.—The Commission's power equipment program is designed to reduce injuries associated with power tools and yard and garden equipment, such as electric drills, powersaws, power mowers, and chain saws.

Mechanical hazards: Household structural products.—The household structural products program works to reduce injuries from products that are fixed in place in homes, such as architectural glazing, bathtubs, and showers.

COMMITTEE RECOMMENDATION

The Committee recommends $33,508,000 for the Commission during fiscal year 1983. At the Commission's March 16, 1982 hearing the Commission was asked to develop a set of their highest priority areas. The Committee is pleased that the Commission has implemented the Committee's recommendations.

The fiscal year 1983 priority projects as determined by the Commission are:

Chain saws ($1,080,100).—The Commission estimates chain saws were associated with over 123,000 injuries requiring medical attention and 50 deaths in 1981. About 23 percent of these injuries resulted from a phenomenon known as "kickback"—the rearward and upward travel of the saw when it bucks, kicks, or unexpectedly jumps toward the operator. The Commission will continue working with the chain saw industry on a voluntary standard. If the voluntary standard proves impractical, CPSC may elect to promulgate a mandatory one.

Smoldering ignition of furniture and bedding ($442,300).—Every year 80,000 smoldering type fires are associated with consumer products. These are estimated to result in 2,000 deaths, and 9,500 injuries annually. The Commission will conduct extensive tests on bedding and mattresses to learn more about fires associated with these products. Also, CPSC will continue to work on a voluntary program with the upholstered furniture industry to have 90 percent of furniture resistant to cigarette ignition.

Children's exposure to carcinogens ($223,800).—Various rubber and plastic children's products may contain the potentially cancer causing substances, nitrosamines or phthalates. The Commission will evaluate the extent to which children are exposed to these substances and will consider alternatives to reduce any risk to children, including cooperative efforts with industry.

Heating equipment fires ($675,400).—An estimated 850 deaths and 8,700 injuries each year result from heating equipment fires. The Commission will work with industry to develop safer gas water heaters, solid fuel appliance, and kerosine heaters. Consumers will be informed of the potential hazards of these products and how to safeguard against them.

Smoke detectors ($850,000).—The Commission will work with fire departments, insurance companies, and State and local agencies to promote the wider use of smoke detectors in residences.

Formaldehyde released from plywood and particle board ($477,900).—Formaldehyde emissions from pressed wood products constitute a serious health risk. Acute and chronic illnesses that may be due to formaldehyde emissions may be reduced by developing voluntary or mandatory standards and providing information on remedial actions to consumers.

Pharmacy/medical community awareness ($228,100).—The Commission will attempt to further reduce accidental ingestions of prescription drugs by children under 5 by working with State Boards of Pharmacy to bolster enforcement of child-resistant closure dispensing regulations and by preparing instructional materials for pharmacy and medical school students to increase their awareness of ingestion hazards.

Indoor air problems from fuel-fired appliances ($303,300).—The Commission will evaluate and attempt to reduce exposure to potentially dangerous combustion products which cause respiratory illness and are emitted from kerosene heaters, gas space heaters and other fuel-fired appliances.

Dual purpose closure analysis ($271,800).—The Commission will collect and evaluate data on accidental childhood ingestions of substances packaged with dual purpose closures and, if necessary, consider alternative means of reducing these ingestions. A duel purpose closure is intended to be converted to either a child-resistant or conventional package.

School laboratory chemicals ($163,200).—The Commission will increase awareness of potential hazards from school laboratory chemicals so that safety precautions can be taken by students and their teachers. The CPSC also intends to make a strong effort to find substitutes for the chemicals used today.

The Committee hereby approves the reprogramings necessary to proceed with the 10 priorities at the levels indicated above. The Committee expects the Commission to submit a report by March 1, 1983 detailing the specific objectives and milestones associated with each of these priorities.

DEPARTMENT OF DEFENSE—CIVIL

CEMETERIAL EXPENSES, ARMY

SALARIES AND EXPENSES

1982 appropriation	$4,476,000
1983 budget estimate	6,689,000
House allowance	6,689,000
Committee recommendation	6,682,000

The Committee recommends an appropriation of $6,682,000 for the cemeterial expenses of the Department of the Army. This is $7,000 less than the budget estimate and the House allowance.

PROGRAM DESCRIPTION

Responsibility for the operation of Arlington National Cemetery and Soldiers' Home National Cemetery is vested in the Secretary of the Army. As of September 30, 1981, Arlington and Soldiers' Home National Cemeteries contained the remains of 197,233 persons and comprised a total of approximately 628 acres. There were 2,823 interments and 846 inurnments in fiscal year 1981; 2,875 interments and 865 inurnments are estimated for the current fiscal year; and 2,940 interments and 900 inurnments for fiscal year 1983. During fiscal year 1983 two construction projects, that is, Columbarium design modification and road repair, will be undertaken at Arlington National Cemetery.

COMMITTEE RECOMMENDATION

The Committee recommends $6,682,000 for cemeterial expenses. Of the amount proposed by the Committee, $6,019,000 would be used for the operation and maintenance of Arlington and Soldiers' Home National Cemeteries, including support for 140 work-years and the procurement of necessary operating supplies and equipment. Construction projects at Arlington National Cemetery are estimated to cost $340,000 in 1983. The balance of $323,000 will be spent on administration. The $7,000 reduction from the budget request is intended to reduce the number of replacement vehicles which will be acquired in fiscal year 1983 from three to two.

ENVIRONMENTAL PROTECTION AGENCY

1982 appropriation	$3,702,612,000
1983 budget estimate	3,635,392,000
House allowance	3,712,242,000
Committee recommendation	3,699,620,200

The Committee recommends an appropriation of $3,699,620,200 for all of EPA's programs in fiscal year 1983. This amount is $64,228,200 more than the budget estimate and $12,621,800 less than the House allowance.

GENERAL DESCRIPTION

The Environmental Protection Agency (EPA) was created through an executive reorganization plan—Reorganization Plan No. 3 of 1970—designed to consolidate certain Federal Government environmental activities into a single agency. The plan was submitted by the President to the Congress on July 8, 1970 and the Agency was established as an independent agency in the executive branch on December 2, 1970 by consolidating 15 components from 5 departments and independent agencies.

EPA is responsible for major Federal environmental pollution abatement, control, and compliance programs in the areas of air, water quality, drinking water, hazardous waste, pesticides, radiation, noise, and toxic substances and for the investigation and cleanup of uncontrolled hazardous waste sites and spills, and is mandated to mount an integrated, coordinated attack on environmental pollution in cooperation with State and local governments. Specifically, EPA is responsible for developing and implementing programs which involve the development of environmental standards; monitoring and surveillance of pollution conditions; grant support for State and local water quality pollution control planning; direct Federal pollution control planning; grant support for State, regional, and local pollution control programs; technical assistance to pollution control programs; and technical assistance to pollution control agencies and organizations.

A description of EPA's pollution control programs by media follows.

Air.—The Clean Air Act authorizes a national program of air pollution research, regulation, and enforcement activities. Under the act, primary responsibility for the prevention and control of air pollution at its sources rests with State and local government, with a strong mandate that the Environmental Protection Agency take action when States do not fulfill their responsibilities. EPA's role is to conduct research and development programs, insure that adequate standards and regulations are established to meet environmental goals set by the act, support State and local control activities, and insure that the standards and regulations are effectively enforced. The air program encompasses activities related to the development and implementation of air pollution control strategies and achievement of air quality standards.

Water quality.—The Clean Water Act, as amended in 1977 and 1981, provides the framework for protection of the Nation's waters. The law recognizes that it is the primary responsibility of the States to prevent, reduce, and eliminate water pollution. The States determine the desired uses for their waters, set standards, identify current uses, and, where uses are being impaired or threatened, develop plans for the protection or restoration of the designated use. They implement the plans through control programs such as permitting and enforcement, construction of municipal wastewater treatment works, and nonpoint source control practices. The act also calls for the reliance on technology-based effluent limitations for control of industrial and municipal point sources of water pollution. If designated uses will not be attained through the technology limits established, the States must either seek a greater level of control or reexamine the viability of designated uses.

The Marine Protection, Research, and Sanctuaries Act also forms a part of the framework to protect the Nation's waters. It authorizes the Agency to regulate ocean dumping through the development of regulations and criteria and through an ocean dumping permit program.

The Environmental Protection Agency has the role of establishing national regulations and guidelines to assure that the goals of the acts are met; conducting research and development on methods, procedures, and technologies for water pollution control; making grants to support State and local activities; and insuring that standards and regulations are enforced effectively.

Drinking water.—The purpose of the drinking water program is to assure that the Nation's public drinking water is safe. In the time since a Federal role was established with the Safe Drinking Water Act of 1974, four times the number of community water systems are regularly monitoring drinking water quality in conformance with consistent national regulations. Today nearly 25 percent more community systems are in regular compliance with established standards. Along with this progress, however, has come a greater awareness of emerging hazards, such as the more widespread occurrence of water-borne disease and the growing incidence of chemical contamination of ground water sources.

The drinking water program encompasses the following activities: (1) establishing national drinking water standards; (2) protecting underground sources of drinking water, particularly by controlling underground injection of wastes; (3) assisting the States in assuming primary responsibility for monitoring and enforcing compliance with national standards and regulations; and (4) implementing programs for public water system supervision and underground injection control in States.

Hazardous waste.—Approximately 43 million metric tons of hazardous waste, such as toxic chemicals, pesticides, acids, caustics, flammables and explosives, were generated in 1981. By 1983, the amount of hazardous waste will increase by nearly 4 million metric tons.

The Solid Waste Disposal Act, amended by the Resource Conservation and Recovery Act of 1976 (RCRA) established the first national program to protect public health and the environment from the damages caused by improper waste management practices, and mandated EPA to develop a regulatory program which will reduce risks from improper hazardous waste disposal practices. The act authorized a national program of hazardous waste research, regulation, implementation, enforcement, and financial assistance to support State implementation of this program. EPA's strategy for addressing these responsibilities under RCRA places emphasis on the implementation of a regulatory program for control of hazardous wastes.

Pesticides.—The objective of the pesticide program is to protect the public health and the environment from unreasonable pesticide risks while permitting the use of necessary pest control technologies. This objective is pursued by EPA through three principal means: (1) review of existing and new pesticide products including registration of pesticides; (2) enforcement of pesticide use rules; and (3) research and development to reinforce the ability to evaluate the risks and benefits of pesticides.

Radiation.—The radiation programs' major emphasis is to minimize the exposure of persons to ionizing radiation, whether from naturally occurring sources, from medical or industrial applications or nuclear power sources. While some exposure to radiation is inevitable, EPA takes the position that no avoidable risk attributable to such exposure should occur to individuals or to the environment without offsetting benefits. EPA pursues this protective goal through three interdependent sets of activities; (1) development of criteria, standards, and guidelines; (2) assessment of the environmental impact of other Federal agency projects and programs; and (3) surveillance of radiation levels in the environment.

EPA also pursues studies of the possible health effects of nonionizing radiation. Data from these studies will indicate whether control of such radiation is required and, if so, guide the setting of appropriate levels.

Noise.—The intent of the Noise Control Act of 1972 (as amended by the Quiet Communities Act of 1978), is to promote an environment free from noise which jeopardizes public health or welfare. EPA has been authorized to set noise emission standards, provide financial and technical assistance to State and local jurisdictions, and coordinate Federal noise related research and control activities.

Program objectives were pursued through four major program thrusts. First, emission standards and/or labeling regulations were promulgated on selected products; second, State and local noise control efforts were strengthened through the provision of technical assistance and limited financial assistance through cooperative agreements; third, Federal activities relating to noise research and abatement and control were coordinated; and fourth, investigations on noise effects and abatement and control technology were conducted. State and local jurisdictions are managing this program without direct EPA involvement. For both 1981 and 1982, activities of the noise program were structured to achieve a prompt but orderly phase-out of current program activities by transferring to the State and local programs the knowledge and experience EPA has gained. State and local jurisdictions are now managing this program without direct EPA involvement.

Toxic substances.—The Toxic Substances Control Act (TSCA) establishes a program to stimulate the development of adequate data on the effects of chemical substances on health and the environment, and control action for those chemicals which present an unreasonable risk of injury to health or the environment. The act's coverage is broad, affecting more than 55,000 chemicals currently in commerce, all new chemicals, and about 115,000 manufacturers and processors.

The major programs that the Agency must develop and implement to carry out the provisions of the act are those to: (1) require testing of chemicals and submission of reports of existing information by industry and review these and other data to determine chemical hazards; (2) review and act on new chemical and significant new use notifications by industry; (3) control the manufacturing, processing, distribution, use, and disposal of existing chemicals that pose unreasonable risks to health and the environment; (4) enforce these statutory and regulatory programs; (5) conduct research and development to support the implementation of the law; and (6) insure that all Agency programs dealing with toxic substances coordinate and integrate risk assessments, priority-settings and regulatory actions taken so that the most significant problems are dealt with, at the least cost to the Agency, industry, and the public.

Interdisciplinary.—The interdisciplinary medium is designed to support programs where the problems, tools, and results are multidisciplinary in nature and must be coalesced into an integrated program. This integrated program encompasses the Agency's litigation and enforcement policy activities. This concept is also employed in the Agency's efforts to forecast future environmental problems, to develop and coordinate a long-range R. & D. agenda, to review environmental impact statements (EIS's), to prepare new source EIS's, to review and permit major development projects, and to promote compliance of Federal activities with regulations for environmental pollution control.

Energy.—The primary objective of the energy research and development program is to insure that the Nation's energy production and utilization practices proceed in an environmentally acceptable manner. Satisfying this objective requires research and development activities in four distinct areas. These are: (1) developing the scientific data necessary to understand the phenomena of acid precipitation; (2) developing the necessary health and environmental data base associated with new or emerging energy processes; (3) developing the necessary performance, reliability, and cost data on energy-related pollution control technologies; and (4) developing and validating air quality models and complex terrain models to more accurately understand the transformation, transport, and fate of gases and particles in the atmosphere produced by energy sources.

SALARIES AND EXPENSES

1982 appropriation	$555,105,700
1983 budget estimate	538,113,200
House allowance	544,963,000
Committee recommendation	548,613,200

The Committee recommends an appropriation of $548,613,200. This amount is $10,500,000 more than the budget estimate and $3,650,200 more than the House allowance.

PROGRAM DESCRIPTION

The salaries and expenses appropriation supports all costs of administering EPA's programs, exclusive of grant programs and contractual agreements for specific programs. This account provides support for executive direction, management, and support for all Agency programs at headquarters and the 10 regional offices. In addition to personnel and administrative costs associated with abatement, control and compliance, research and development, and enforcement activities, the salaries and expenses appropriation supports the following functions:

1. *Program management.*—This activity covers the salaries and related expenses for the assistant administrators and immediate staffs in the Offices of Water; Air, Noise, and Radiation; Pesticides and Toxic Substances; Solid Waste and Emergency Response; and Research and Development.

2. *Agency management.*—This activity supports agencywide policy direction and management activities, including the salaries and associated costs for: the immediate Office of the Administrator; the offices which report directly to the Administrator; portions of the Office of Legal and Enforcement Counsel; the Office of Administration; and the Office of Policy and Resource Management.

3. *Regional management.*—This activity supports the regional administrators, their immediate staffs and the staff offices reporting directly to them such as intergovernmental relations, public affairs, and civil rights. Regional management also includes the regions' central management functions: planning and analysis, budgeting, financial management, personnel management, and administrative services.

4. *Program support.*—This activity supports operation of the laboratories of the Offices of Research and Development; Pesticides and Toxic Substances; and Air, Noise, and Radiation. These costs consist mainly of laboratory and office services, utilities, building maintenance, and other housekeeping items.

5. *Agency support.*—This activity provides general office and building services and support for program operations at EPA headquarters, Research Triangle Park, and Cincinnati. Agency support also includes agencywide costs which are managed at headquarters and which support the needs of all Agency programs. Examples of such costs include facilities rent and ADP support.

6. *Regional support.*—This activity supports basic needs of the regions, including telephone service, guard services, printing and copying services, rental of office equipment, ADP equipment, and other office and building services.

COMMITTEE RECOMMENDATION

The Committee recommends a level of $548,613,200 for EPA's salaries and expense account. Within this amount the Committee has included an additional $1,000,000 and nine positions for the Great Lakes program, thus restoring the effort to $2,390,300 and 24 FTE and retained the laboratory at Grosse Ile, Michigan. These additional funds are needed to support the higher program level provided by the Committee in the R. & D. and abatement, control, and compliance accounts. In this regard the Committee notes that a recent GAO report (May 12, 1982) concludes "Despite spending millions of dollars on water pollution control, the United States is finding it difficult to meet the comprehensive objectives of its Great Lakes water quality agreement with Canada. Although the lakes are cleaner, the United States is not fully meeting its agreement commitments." The report also states that "U.S. efforts have been hampered by the (1) lack of effective overall strategies for dealing with Great Lakes water quality problems, (2) lack of knowledge about the extent of pollution problems and the impact of control programs, and (3) need for improved management of Great Lakes pollution cleanup activities." The Committee expects EPA to provide the management, focus, and visibility to this program that it needs in order to effectively address the problems of the Great Lakes. The Committee expects EPA to report back with suggested changes to the program on March 1, 1983.

The Committee also recommends a reduction of $1,000,000 to be applied to the agencies support services. The 1983 budget contains $12,240,800 or a 12-percent increase for this activity. The Committee would like to note that the agency has taken a variety of management actions that have saved several millions of dollars. The Committee expects that these activities will continue during 1983 and result in additional savings.

The Committee notes that a GSA (August 1, 1981) report on EPA's management of its word processing equipment concluded that the agency has wasted between $2,000,000 and $4,000,000 annually in this area. Apparently EPA cannot provide the Committee with an estimate of its word processing needs for fiscal year 1983. The Committee expects to receive such an estimate 30 days after enactment of the 1983 HUD-Independent Agencies Appropriations bill.

The Committee has added an additional $10,500,000 to cover an expected shortfall in personnel and compensation benefits if EPA maintained its fiscal year 1982 end-of-year work force throughout fiscal year 1983, excluding losses through normal attrition. The Committee believes that EPA's work force should be stabilized and that further reduction, at this time, would be disruptive to the programs. Consequently, the Committee has included bill language prohibiting reductions in force that would result in the use of less work-years than specified in the bill during fiscal year 1983.

RESEARCH AND DEVELOPMENT

1982 appropriation	$154,315,600
1983 budget estimate	108,703,800
House allowance	121,204,000
Committee recommendation	115,000,000

The Committee recommends an appropriation of $115,000,000 for EPA's research and development program in fiscal year 1983. This amount is $6,296,200 more than the budget estimate and $6,204,000 less than the House allowance.

PROGRAM DESCRIPTION

EPA's research and development program is designed to produce the scientific knowledge and the tools for regulating, preventing, and abating pollution. The Agency's research and development efforts are conducted through grants, contracts, and agreements with universities, industries, other private commercial firms, nonprofit organizations, State and local government, and Federal agencies, as well as through work performed at EPA's laboratories and field stations.

The research and development program encompasses activities such as research on the effects of pollutants on man, animals, aquatic life, plants, materials, and the general environment; research on the processes, such as dispersion, that affect pollution; the development of new and improved sampling and analytical methods and instruments for measuring pollutants; the development and demonstration of new and improved technology for preventing and controlling pollution and recovery of materials from wastes; and insuring environmental protection necessary to facilitate the use of domestic energy supplies with particular emphasis on coal and the concurrent development of appropriate control technologies for emerging energy systems to minimize control costs and environmental impact.

COMMITTEE RECOMMENDATION

The Committee recommends a level of $115,000,000 for research and development. The increase consists of an additional $1,500,000 for Great Lakes research. These funds would be used to continue toxic loading studies to determine the sources and distribution of toxic substances in the Great Lakes.

The Committee has also included an additional $270,000 for a study of phosphate processing. EPA is currently involved in a $3,000,000 study of waste streams generated during the extraction and processing of ores and minerals, as mandated by Congress under section 8002(f) of RCRA. Part of this study includes an examination of phosphate extraction, washing, and cleaning operations. The processing of phosphate, however, is not included as part of this effort. This study will also be used as a basis to respond to the study mandated by section 29 of the Solid Waste Disposal Act Amendments of 1980. The study was initiated in September 1979, and is expected to be reported to Congress in October 1983.

The Committee also recommends an additional $4,526,200 to be applied on a priority basis at the Agency's discretion. The Committee notes that health effects and anticipatory research are two areas where these additional research funds could be productively used.

Within funds provided, EPA should resume support for cold weather research in cooperation with the appropriate State agencies. There are numerous environmental problems unique to Arctic and sub-Arctic environments which need to be addressed if man is to continue to live in these regions and develop their resources safely.

ABATEMENT, CONTROL AND COMPLIANCE

1982 appropriation	$372,969,700
1983 budget estimate	311,575,000
House allowance	369,075,000
Committee recommendation	365,007,000

The Committee recommends an appropriation of $365,007,000 for abatement, control, and compliance activities. This amount is $53,432,000 more than the budget estimate and $4,068,000 less than the House allowance.

PROGRAM DESCRIPTION

The Agency's abatement and control effort includes the development of environmental standards; monitoring and surveillance of pollution conditions; grant support for State and local water quality pollution control planning; direct Federal pollution control planning; grant support for State, regional, and local pollution control programs; technical assistance to pollution control agencies and organizations; and assistance to Federal agencies in complying with environmental standards and insuring that their activities have minimal environmental impact.

The compliance activity at EPA—formerly called enforcement under the old appropriation account structure—encompasses the areas of air and water pollution control, drinking water, pesticides, solid waste, and toxic substances. A major part of the Agency's compliance effort involves support of or cooperation with State and local enforcement programs, such as enforcement of air quality standards, navigable and interstate water quality standards, issuance of pollution discharge permits, and issuance of hazardous waste permits and compliance monitoring. Notices of violation, abatement orders, enforcement conferences, civil and criminal court actions, and, in the case of pesticides, recalls and seizures, are used by the Agency as tools to implement its enforcement responsibilities.

COMMITTEE RECOMMENDATION

The Committee recommends $365,007,000 for abatement, control, and compliance. The Committee has recommended funding above the budget request levels of $43,906,800 for the State grants programs as follows: air (section 105), +$17,780,200; water quality (section 106), +$10,354,400; public water systems program grant, +$5,890,000; underground injection control program, +$1,034,300; hazardous waste management, +$6,563,400; and pesticides and toxic enforcement grants, +$2,284,500. These increases restore all of these programs to their fiscal year 1982 levels. The Committee has taken this action in recognition of the additional responsibilities placed on the States as a result of the accelerated delegation process.

The Committee also recommends an additional $1,900,000 for the National Rural Water Association, State rural water training and technical assistance program. This will provide for a slight increase in the program over the 1982 level. The Committee has received testimony indicating the value of providing additional training resources to support the huge Federal investment in wastewater treatment facilities. Consequently the Committee has added $2,625,200 to the budget for wastewater treatment manpower training, restoring the program to about the 1982 level. The Committee also concurs with the House in restoring academic training to the $1,000,000 level provided in fiscal year 1982.

The Committee has included an additional $1,000,000 for the Great Lakes program. This provides a level of $3,500,000 for the Great Lakes program in this account. These additional funds would be primarily used to continue the section 108(a) program of demonstration grants to test new or innovative wastewater techniques as well as to carry forward water intake and high flow tributary monitoring to determine water quality trends and pollutant loadings to the lakes.

The Committee has also recommended $3,000,000 for the completion of existing projects in the clean lakes program. In its fiscal year 1982 recommendation the Committee proposed a $12,000,000 funding level to close out this program. House conferees suggested $9,000,000, which was agreed to. Given this history, the Committee finds it interesting that the House has now suggested adding $5,000,000 to the 1983 budget in order to "complete existing implementation projects." The Committee expects to review its position relative to funding projects that are not currently in the implementation phase, when, and if, the Clean Lakes program is reauthorized.

The fiscal year 1982 Urgent Supplemental Appropriations Act contained language to permit EPA to fund three biological treatment facilities where the mechanical plants have suffered structural failure outside the warranty period and where the existing EPA-planned systems have proven to be inoperable by the local municipalities. The Committee has included bill language requiring EPA to fund one additional community (Inverness, Mississippi) that already has incurred the cost of replacing such an inoperable system. It is estimated that the replacement costs for this facility are $45,000.

BUILDINGS AND FACILITIES

1982 appropriation	$3,621,000
1983 budget estimate	3,000,000
House allowance	3,000,000
Committee recommendation	3,000,000

The Committee recommends an appropriation of $3,000,000 for buildings and facilities in fiscal year 1983. This amount is the same as the budget estimate and the House allowance.

PROGRAM DESCRIPTION

The appropriation for buildings and facilities at EPA covers the necessary repairs and improvements to installations which are used by the Agency. In fiscal year 1983, the Agency intends to focus its resources on improving health and safety conditions at various facilities, as well as on space planning, reconfigurations, and alterations associated with space reductions begun in fiscal year 1982.

COMMITTEE RECOMMENDATION

The Committee concurs with the House in recommending the budget request of $3,000,000 for this account. Repair and improvement projects exceeding $250,000 in estimated cost should not be undertaken without the specific approval of the House and Senate Committees on Appropriations.

PAYMENT TO THE HAZARDOUS SUBSTANCE RESPONSE TRUST FUND

1982 appropriation	$26,600,000
1983 budget estimate	44,000,000
House allowance	44,000,000
Committee recommendation	38,000,000

The Committee recommends an appropriation of $38,000,000 for this account. This amount is $6,000,000 less than the budget estimate and the House allowance.

PROGRAM DESCRIPTION

The Comprehensive Environmental Response, Compensation, and Liability Act of 1980, Public Law 96–510, established the hazardous substance response trust fund. The trust fund is financed principally by industry fees, recovered moneys, interest on investments, and appropriations. This account represents the Federal payment into the trust fund.

COMMITTEE RECOMMENDATION

The Committee recommends $38,000,000 for the Federal payments into the trust fund. The reduction of $6,000,000 from the request level represents a proportional decrease based on the Committee's recommended level for the hazardous substances response trust fund discussed under the following heading.

HAZARDOUS RESPONSE TRUST FUND

1982 appropriation	$190,000,000
1983 budget estimate	230,000,000
House allowance	230,000,000
Committee recommendation	200,000,000

The Committee recommends an appropriation of $200,000,000 for the hazardous response trust fund. This amount is $30,000,000 less than the budget estimate and the House allowance.

PROGRAM DESCRIPTION

On December 11, 1980, Congress enacted the Comprehensive Environmental Response, Compensation, and Liability Act of 1980. The act established the hazardous response trust fund to address the problems of uncontrolled hazardous waste sites and spills. Specifically, the legislation mandates that EPA: (1) provide emergency response to hazardous waste spills; (2) take emergency action at hazardous waste sites that pose an imminent hazard to public health or environmentally sensitive ecosystems; (3) engage in long-term planning, remedial design, and construction to clean up hazardous waste sites where no financially responsible party can be found; (4) take enforcement actions to require responsible private parties to clean up hazardous waste sites; and (5) take enforcement actions to recover costs where the fund has been used for clean up.

COMMITTEE RECOMMENDATION

The Committee recommends a level of $200,000,000 for "superfund" activities. This is $30,000,000 less than the request and $10,000,000 more than the fiscal year 1982 level. The Committee has conducted extensive superfund oversight activities. As part of that oversight the Committee conducted a 2-day workshop on site selection (March 19 and 20, 1982), held hearings on April 20, 1982 and sponsored a GAO study. In all of these instances, experts testified that the implementation problems associated with the program were not caused by the lack of appropriated funds. In fact, as of June 30, 1982, only $116,200,000 of the $264,700,000 appropriated has been obligated. Currently, the fund is being credited with receipts of $24,400,000 per month, with obligations around $11,700,000 per month.

As the GAO witness stated in the Committee's April 20 hearing ". . . so there is plenty of money. That is not the problem." The Committee notes with dismay that only 13 cooperative agreements and State contracts on three sites have been signed to date. The Committee has asked the Agency to provide a quarterly update of the status of the superfund implementation including data on 18 action items. The Committee intends to closely monitor this situation.

Included within the amounts provided is funding for an estimated 516 permanent work-years. The bill also includes a provision limiting administrative expenses to $37,380,000. The amount represents traditional salary and expense items and is identical to the budget request for these activities. It includes $26,963,000 for personnel compensation and benefits, $2,723,000 for travel, $3,654,000 for communications, utilities, and rent, and $4,040,000 for equipment and other expenses.

EPA estimates that emergency responses to about 50 major spills and 60 waste sites will be possible in 1983. Remedial activities will include preliminary assessments and site inspections, as well as 56 full field investigations and 11 remedial actions. Research and development activities concentrating on health hazard assessment of released substances are also planned in 1983.

A total of $15,326,000 and 82 permanent work-years is estimated for management and support of the superfund in 1983. This includes general program management and support, planning and evaluation, financial control, laboratory equipment, and housekeeping services.

Public Law 94–580 authorizes $20,000,000, under section 3012, for use by States to conduct State hazardous waste site surveys. Many States have already invested substantial sums on site inspection and evaluation. The Committee has included bill language providing the $20,000,000 in order to accelerate the site discovery/assessment process.

Section 104(i) of the Comprehensive Environmental Response, Compensation, and Liability Act (Public Law 96–510) authorizes the use of funds from the trust fund for medical and research activities to be undertaken by the Department of Health and Human Services. In Public Law 97–216, the Congress earmarked $7,000,000 from the hazardous response trust fund for the Department to carryout its superfund activities during fiscal year 1982. For 1983 the Committee has included bill language earmarking $10,000,000. Of this amount $8,000,000 would be used for continuing staff support at the Department and $2,000,000 for discretionary activities such as health inspections at specific hazardous waste sites. The Committee believes that with the additional funding, the Department will be able to devote more resources to training of State personnel; purchase needed lab equipment; develop an ADP system for the toxicological registry; and develop hazardous waste handling manuals.

CONSTRUCTION GRANTS

	Appropriations	*Liquidating cash*
1982 appropriation	$2,400,000,000	($1,000,000,000)
1983 budget estimate	2,400,000,000	
House allowance	2,400,000,000	
Committee recommendation	2,430,000,000	

The Committee recommends an appropriation of $2,430,000,000 for the construction grants program. This amount is $30,000,000 more than the budget estimate and the House allowance.

PROGRAM DESCRIPTION

The long-range goal of the construction grants program is to eliminate the municipal discharge of untreated or inadequately treated pollutants and thereby help restore or maintain the quality of the Nation's waters and protect the health and well-being of the people. This program provides grants to municipal and intermunicipal agencies to assist in financing the construction of cost-effective and environmentally sound municipal wastewater treatment facilities. In addition, the program provides funds to assist delegated States in carrying out their responsibilities to manage the construction grants program and to assist them in carrying out water quality management planning programs.

As a result of the municipal wastewater treatment construction grant amendments of 1981 a State may reserve 4 percent of its authorization or share of the $400,000 to manage its delegated activities, and 1 percent of its allotment or $100,000 for water quality management planning. The act also requires that each State set aside between 4 and 7½ percent of its allotment to provide incentives to communities to use innovative and alternative technologies in constructing their wastewater treatment facilities; it also permits States having substantial rural populations to set aside 4 percent of their funds for projects in small communities. All grants for assisting in the development and construction of wastewater treatment facilities are to be awarded on the basis of a State's priority system, which is designed to insure improved water quality.

Prior to the 1981 amendments, projects were done in three stages with separate grants awarded to a community for the planning (step 1), design (step 2), and construction (step 3) phases of each project. In order to make the process more efficient, the 1981 amendments eliminate the three-step procedure and provide that communities that have completed planning and design and are awarded a grant for construction will receive an allowance to cover a portion of the planning and design costs. Provision is also made for advances to enable small communities, otherwise unable to finance such activities, to plan and design projects. Another provision designed to make the program more efficient and cost-effective is the elimination of funding to construct reserve capacity. These provisions are expected to significantly decrease the Federal investment needed in the program.

The goal of the State management assistance grant program under section 205(g) is to allow the States, rather than EPA, to assume responsibility for day-to-day management of construction grants and other priority programs, and under section 205(j) to provide essential support to water quality management planning. The primary goal for use of section 205(g) funds has been early achievement of maximum delegation of construction grants project management to States. The timing and extent of delegation and financial support to each State depends on the State's ability to operate a construction grants program that meets statutory objectives and requirements and EPA policy. A grant is provided to a State when it can show that it is able to exercise effective management for a substantial portion of program activities.

COMMITTEE RECOMMENDATION

The Committee recommends $2,430,000,000 or $30,000,000 above the budget request and the House allowance. The additional $30,000,000 is to be used as authorized in section 201(n)(2) of the Federal Water Pollution Control Act, as amended, for combined sewer overflow. Testimony before the Committee indicates that these funds, and more, could be effectively used during fiscal year 1983 to address serious problems caused by combined sewer overflows into marine bays and estuaries. EPA has submitted the following preliminary list of communities considered for funding:

Major authority:	Total cost estimate
Bridgeport, Conn	$75,000,000
New Haven, Conn	107,000,000
Providence, R.I	155,000,000
New York, N.Y	325,000,000
District of Columbia	553,000,000
Philadelphia, Pa	710,000,000
Richmond, Va	144,000,000
Seattle, Wash	32,000,00

The Committee has also included bill language to insure that the waste water treatment plant in San Diego, California, is eligible for funding as authorized under section 201(m)(3) of the Federal Water Pollution Control Act, as amended.

ADMINISTRATIVE PROVISION

The Committee has deleted a provision inserted by the House which would require EPA to take necessary action to cancel or deny the registration of any pesticide product containing toxaphene. While the Committee understands the concern raised by the House relative to this pesticide, it does not believe that general appropriation bills should be used to regulate the licensing or registration of specific chemical compounds.

EXECUTIVE OFFICE OF THE PRESIDENT

COUNCIL ON ENVIRONMENTAL QUALITY AND OFFICE OF ENVIRONMENTAL QUALITY

1982 appropriation	$919,000
1983 budget estimate	926,000
House allowance	926,000
Committee recommendation	926,000

The Committee recommends an appropriation of $926,000 for the salaries and expenses of the Council on Environmental Quality. This is the same as the budget estimate and the House allowance.

PROGRAM DESCRIPTION

The Council on Environmental Quality was established by the National Environmental Policy Act (NEPA) and the Environmental Quality Improvement Act of 1970 and is located within the Executive Office of the President. The Council's principal responsibility is to provide the President and the Congress with timely and authoritative advice on key policy issues. In addition to providing policy advice, the Council is responsible for maintaining policy oversight of the Federal Government's implementation of NEPA. The Council is also charged with cochairing with EPA, the Interagency Toxic Substances Data Committee; serving as Executive Secretary of the Interagency Task Force on Acid Precipitation; overseeing implementation of environmental messages by the President; and assisting and advising the President in preparing the annual environmental quality report to the Congress.

COMMITTEE RECOMMENDATION

The Committee concurs with the House recommendation of $926,000 for the activities of the Council.

OFFICE OF SCIENCE AND TECHNOLOGY POLICY

1982 appropriation	$1,578,000
1983 budget estimate	1,839,000
House allowance	1,578,000
Committee recommendation	1,839,000

The Committee recommends an appropriation of $1,839,000 for the salaries and expenses of the Office of Science and Technology Policy. This is the same as the budget estimate and $261,000 more than the House allowance.

PROGRAM DESCRIPTION

The Office of Science and Technology Policy (OSTP) was created by the National Science and Technology Policy, Organization, and Priorities Act of 1976 (Public Law 94–282) and provides advice to the President concerning policies in science and technology and on the utilization of science and technology in addressing important national problems. OSTP also supports other organizations within the Executive Office of the President with regard to issues involving science and technology considerations; reviews and analyzes the research and development budgets and programs of the Federal Government, in concert with the Office of Management and Budget; coordinates research and development programs of the Federal Government; and fulfills other obligations, duties, functions, and activities mandated by the National Science and Technology Policy, Organization, and Priorities Act of 1976.

COMMITTEE RECOMMENDATION

The Committee recommends the budget request of $1,839,000 for the Office. The Committee agrees with the House that the heavy reliance on nonreimbursable detailees seriously impairs this Committee's oversight of OSTP activities. While the Committee has removed the House bill language prohibiting the use of nonreimbursable detailees after March 31, 1983, it does expect the Office to rely more heavily on outside experts. Consequently the Committee has restored the $261,000 in consultant fees cut by the House. These funds should be applied for both consultants and reimbursable detailees.

FEDERAL EMERGENCY MANAGEMENT AGENCY

1982 appropriation	$585,308,000
1983 budget estimate	850,287,000
House allowance	729,795,000
Committee recommendation	586,275,000

The Committee recommends an appropriation of $586,275,000 for the Federal Emergency Management Agency (FEMA) in fiscal year 1983. This amount is $264,012,000 less than the budget estimate and $143,520,000 less than the House allowance.

GENERAL DESCRIPTION

FEMA is responsible for supervising Federal efforts to anticipate, prepare for and respond to major civil emergencies. The Agency also works to insure the effectiveness of the national civil defense program as well as the availability of civil defense systems and resources in coping with all major disasters; consolidates the programs aimed at preventing and mitigating the effects of potential disasters with the programs designed to deal with these disasters once they occur; coordinates and plans for the emergency deployment of resources that are used on a routine basis by Federal agencies; and helps to coordinate preparedness programs with State and local governments, private industry, and voluntary organizations.

FEMA's budget submission describes several principal programs, including:

Plans and preparedness.—This activity encompasses FEMA's role in providing policy guidance, plans and preparedness direction in the case of a domestic or national security crisis. FEMA provides technical and financial assistance to State and local governments to develop their emergency preparedness and emergency management plans, and is responsible for advising the President on matters relating to the Nation's emergency preparedness.

Mitigation and research.—This activity consists of research on how to improve hazard mitigation activities, and applying those results to FEMA's emergency management activities. Also, FEMA shares these findings with local and State governments and the private sector in order to assist them in mitigating and/or preparing for emergency preparedness situations.

Federal Insurance Administration.—FEMA administers three national insurance programs and conducts activities to mitigate the impact of natural disasters. They are flood insurance, crime insurance, and riot reinsurance.

> Flood insurance.—The national flood insurance program makes insurance available to property owners at a reasonable cost in return for which communities are required to adopt flood-plain-management measures to protect lives and reduce property loss.
>
> Crime insurance.—This program enables residents and businesses to purchase affordable insurance against burglary and robbery losses.
>
> Riot reinsurance.—Federal riot reinsurance is available to assist insurance companies in making essential property insurance available in States with statewide fair access to insurance requirements plans meeting Federal criteria.

Training and education.—FEMA conducts programs of management and technical training for staffs of local and State governments and private organizations engaged in emergency management.

Disaster response and recovery.—The President's Disaster Relief program is designed to supplement the efforts and available resources of State and local governments and voluntary relief organizations, to respond to a major disaster or emergency, as defined in the Disaster Relief Act of 1974 (Public Law 93-288).

United States Fire Administration.—The goal of the U.S. Fire Administration is to reduce national fire loss and to reduce the level of fire risk. The Fire Administration develops fire service education and training programs through the National Fire Academy at Emmitsburg, Maryland; develops programs which educate the public on fire safety; develops management systems for fire prevention through the National Fire Data Center, and conducts research on fire fighter and residential safety through the Center for Fire Research.

FUNDS APPROPRIATED TO THE PRESIDENT

DISASTER RELIEF

1982 appropriation	$301,694,000
1983 budget estimate	325,000,000
House allowance	324,000,000
Committee recommendation	130,000,000

The Committee recommends an appropriation of $130,000,000 for disaster relief assistance in fiscal year 1983. This amount is $195,000,000 less than the budget estimate and $194,000,000 less than the House allowance.

PROGRAM DESCRIPTION

Federal disaster assistance is a nationwide program operated pursuant to the Disaster Relief Act of 1974 (Public Law 93–288). Supplementary assistance is provided to individuals, and State and local governments in the event of a Presidentially declared emergency or major disaster. Funds may be made available directly to a State or local government, or to other Federal agencies as reimbursement of expenditures in disaster relief work performed under this authority. In addition, a variety of other Federal agency assistance is coordinated under this program.

COMMITTEE RECOMMENDATION

The Committee recommends $130,000,000 in disaster relief activities in fiscal year 1983. In fiscal year 1981, obligations of the disaster relief program totaled $228,964,000. At the end of the third quarter of fiscal year 1982, FEMA had obligated only $88,019,000. Therefore, with the funds recommended by the Committee and an estimated carryover of $531,000,000 from previous years, there will be a total of $661,000,000 available for disaster relief assistance during fiscal year 1983.

The Committee agrees with the House that the natural hazards preparedness planning and hazard mitigation assistance programs should not be funded through the disaster relief fund. However, since both of these programs are designed to assist State and local governments to prepare for and respond to emergencies and disasters, the Committee has provided the requested funds ($1,000,000) for these two activities in the State and local assistance account.

In July 1982, GAO released a report on FEMA's administration of the disaster relief program. In this report GAO found that FEMA had provided over $700,000,000 in public disaster assistance from 1979 through 1981, and could reduce these costs in the future if State and local governments were not reimbursed for certain expenditures which they themselves could provide for. The Committee urges FEMA to revise its regulations to require that State and local governments assume those disaster relief obligations.

The Committee urges FEMA to resolve the funding issue involving the Gila Valley, Arizona, Irrigation District in an expeditious manner so as not to place an unnecessary burden on the district or the community.

Finally, the Committee continues to support FEMA's continuation of the 75 percent Federal and 25 percent State and local cost sharing for the repair and replacement of public facilities.

SALARIES AND EXPENSES

1982 appropriation	$96,436,000
1983 budget estimate	117,553,000
House allowance	110,392,000
Committee recommendation	114,616,000

The Committee recommends an appropriation of $114,616,000 for salaries and expenses in fiscal year 1983. This amount is $2,937,000 less than the budget estimate and $4,224,000 more than the House allowance.

PROGRAM DESCRIPTION

The salaries and expenses appropriation is composed of two activities:

1. *Program support.*—This activity provides the necessary resources to administer the Agency's various programs. This includes the resources to administer the State and local programs and the emergency planning and assistance programs.

2. *Management and administration.*—The Director, aided by other policy-level officials, directs and supervises the programs and activities of the Agency. Included in this activity are the Office of the Director, the Deputy Director, General Counsel, Inspector General, Congressional Relations, Equal Employment Opportunity, International Affairs, and Public Affairs. In addition, this activity involves the resources for central support organizations such as Office of the Comptroller, Personnel, and Administrative Services. Central administrative charges such as rent, utilities, and supplies are also included.

COMMITTEE RECOMMENDATION

The Committee recommends $114,616,000 for salaries and expenses in fiscal year 1983. The changes from the budget request assume the following: −$5,000,000 general reduction in programs other than fire prevention and control; −$1,200,000 from civil defense; +$850,000 for the U.S. Fire Administration; and +$2,413,000 for the salaries and expenses of the national flood insurance program..

The Committee continues to be concerned with the current management and administration of the Agency. For example, even though the Agency has proposed a large expansion of the civil defense program, it has not as yet named an Associate Director for National Plans and Preparedness. Further, based on its assessment of FEMA's management systems, GAO recently found that the national plans preparedness program did not have a comprehensive planning process for its activities—

including the civil defense program. While there have been significant improvements made within the Agency over the last year, the Committee urges FEMA to implement a comprehensive agencywide management system.

FEMA'S fiscal year 1983 budget assumed no funds for the U.S. Fire Administration. The Committee believes that the activities at the Administration should be continued and recommends $850,000 for salaries and expenses. This level of funding should provide for 20 permanent full-time positions to staff the programs described under the emergency planning and assistance heading.

STATE AND LOCAL ASSISTANCE

1982 appropriation	$119,745,000
1983 budget estimate	219,731,000
House allowance	139,776,000
Committee recommendation	167,731,000

The Committee recommends an appropriation of $167,731,000 for the State and local assistance activities of FEMA in fiscal year 1983. This amount is $52,000,000 less than the budget estimate and $27,955,000 more than the House allowance.

PROGRAM DESCRIPTION

The State and local assistance account provides support for State and local civil defense organizational requirements and operating costs; provides for plans and systems to protect the population against the effects of nuclear attack including crisis relocation planning, shelter identification, and preparation; provides Federal technical and operational guidance and 50 percent Federal matching grant financial assistance to State and local governments for emergency operating centers; determines State and local preparedness capabilities and needs for comprehensive emergency preparedness and planning development and assessment as well as, provides preparedness guidance and financial assistance to support capability maintenance and improvement; provides for emergency preparedness and planning activities for nuclear facilities, radioactive materials, and transportation involving radioactive materials; and combines mapping, regulatory, and technical assistance efforts for the purpose of responding to known flood hazards.

COMMITTEE RECOMMENDATION

The Committee recommends $167,731,000 for State and local assistance in fiscal year 1983. The changes from the budget request assumes the following: −$53,000,000 from civil defense; +$750,000 for natural hazards preparedness planning (this offsets a corresponding decrease in the disaster relief account); and +$250,000 for hazard mitigation assistance (this offsets a corresponding decrease in the disaster relief account).

Beginning in fiscal year 1983, the administration has proposed expanding our Nation's current civil defense program. This proposal is estimated to be a 7-year effort which will cost approximately $4,200,000,000. As a result of the budgetary impact of this proposal and

FEMA's past performances in administering programs, the Committee requested the GAO to conduct a review to determine whether long-term goals have been established by FEMA for expanding current civil defense programs as well as examining the likelihood that these objectives will be achieved. The completion of this review is not expected for several months. However, preliminary discussions with GAO casts serious doubts on FEMA's ability to effectively expand the civil defense program. Until a final review is completed, the Committee does not believe the full budget request should be provided. Therefore, the Committee has reduced the civil defense program from $156,340,000 to $103,340,000.

The Committee arrived at its fiscal year 1983 recommendation by only funding those activities within the civil defense program which have dual civilian/national emergency applications.

The Committee has not included House bill language limiting earthquake research to $2,000,000. The Committee continues to believe that this is an area where additional work is needed.

The Committee notes that the conferees on S. 2248, the Defense Department authorization bill of 1982, increased the ceiling for the emergency management assistance program to $60,000,000. The Committee believes that adequate funds should be allocated to State and local governments in order that this important program can be expeditiously implemented.

EMERGENCY PLANNING AND ASSISTANCE

1982 appropriation	$67,406,000
1983 budget estimate	188,003,000
House allowance	155,627,000
Committee recommendation	173,928,000

The Committee recommends an appropriation of $173,928,000 for the emergency planning and assistance activities of FEMA in fiscal year 1983. This amount is $14,075,000 less than the budget estimate and $18,301,000 more than the House allowance.

PROGRAM DESCRIPTION

The emergency planning and assistance account provides resources for program activities in civil defense where assistance is provided to State and local governments in the preparation for and response to major emergencies; communications and dedicated warning systems; development of training materials and training programs. Studies, research and development activities are conducted to provide the technical basis for items such as crisis relocation, recovery from nuclear attack, and industrial equipment protection. In addition other programs funded under this account include Federal preparedness and training and education.

The Federal preparedness activity has as its goal the achievement of Government readiness to insure that the Nation will be able to respond to, manage, and recover from peacetime or wartime national security emergencies and enable government at all levels, to cope with the consequences of accidental, natural, and man-caused occurrences. Finally, the training and education program prepares Federal, State, and local officials, and their supporting staffs and constituencies to meet the responsibilities and challenges of hazard mitigation, emergency preparedness, disaster response, and fire prevention and control.

COMMITTEE RECOMMENDATION

The Committee has recommended $173,928,000 for emergency planning and assistance in fiscal year 1983. The changes from the budget request consist of the following: −$17,000,000 from civil defense programs; −$375,000 from the civil security program; and +$3,300,000 for program activities within the U.S. Fire Administration (USFA).

The Committee has reduced civil defense in this account from the requested $63,802,000 to $46,802,000 for the same reasons as indicated in the previous heading.

FEMA's fiscal year 1983 budget assumed no funds for the USFA. The Committee believes that the activities at the Administration should be continued and recommends $3,300,000 for programs. The Committee believes the $3,300,000 should be allocated to the following programs: +$750,000 for arson prevention and control; +$1,000,000 for firefighter health and safety; +$1,150,000 for the national fire data system; and +$400,000 for fire rescue service management improvement.

The Committee recognizes the continuing importance that Federal fire programs play in reducing fire-related deaths, injuries, and property losses in the United States. At the present time FEMA has under consideration a reorganization plan for the USFA which would eliminate, by the establishment of an Office of Fire Prevention and Control, duplicative functions between USFA and the National Fire Academy at Emmitsburg, Maryland.

The Office of Fire Prevention and Control would have a separate identity and authority than the Fire Academy, but would be colocated at the National Emergency Training Center (NETC) at Emmitsburg to take advantage of the facilities and resources of NETC. The Committee recommendation reflects the present structure of the USFA. However, the Committee would look favorably upon a reprograming request reflecting the proposed structure for the USFA after approval for such a plan is obtained from the appropriate authorizing committee. Further, the Committee strongly recommends that such a plan include a provision for greater incentives to the private sector to further the goals of the Federal fire program.

Finally, the Committee has reduced the civil security program from the budget request of $875,000 to $500,000. The Committee believes that many of the activities proposed by FEMA for fiscal year 1983 in this program are already being conducted elsewhere in FEMA.

NATIONAL FLOOD INSURANCE FUND

1982 appropriation	$328,240,000
1983 budget estimate	$41,572,000
House allowance	39,159,000
Committee recommendation	39,159,000

The Committee recommends $39,159,000 to repay funds borrowed from the Treasury by FEMA to carry out the national flood insurance program in fiscal year 1983. This amount is $2,413,000 less than the budget estimate and the same as the House allowance.

PROGRAM DESCRIPTION

The National Flood Insurance Act of 1968, as amended, authorizes the Federal Goverment to provide flood insurance on a national basis. Flood insurance may be sold or continued in force only in communities which enact and enforce appropriate flood plain management measures. Communities must participate in the program within 1 year of the time they are identified as flood-prone in order to be eligible for flood insurance and some forms of Federal financial assistance for acquisition or construction purposes.

Under the emergency program, structures in identified flood-prone areas are eligible for limited amounts of coverage at subsidized insurance rates. Under the regular program, studies must be made of different flood risks in flood-prone areas to establish actuarial premium rates. These rates are charged for insurance on new construction. Coverage is available on virtually all types of buildings and their contents in amounts up to $245,000 for residential and $550,000 for other types.

Financing.—The Administrator is authorized to borrow up to $1,000,000,000 to carry out the program. Borrowings are estimated to total $178,360,000 by the end of 1983. An appropriation of $41,572,000 was requested in 1983 to retire agency debt. The program is also financed through premium income, and on January 1, 1981, an expense constant of $20 per policyholder was added to shift the administrative expenses from the taxpayer to the beneficiary of the program, the policyholder.

Operating results.—Cumulative expenses are expected to exceed income from Federal and non-Federal sources by approximately $315,000,000 by the end of 1983. This cumulative deficit is financed through appropriations of $931,000,000 and by charges against borrowing authority of $178,000,000.

COMMITTEE RECOMMENDATION

The Committee has recommended providing $39,159,000 for the National Flood Insurance Fund in fiscal year 1983. This appropriation will enable FEMA to repay part of the debt to the Treasury.

The Committee notes that the administration proposes to fund the administrative expenses of the flood insurance program from the National Flood Insurance Fund. The Committee has denied this request and directs the Agency to continue funding administrative expenses from the salaries and expenses account. Accordingly, the salaries and expenses appropriation has been increased $2,413,000.

Additionally the Committee has included bill language providing that insurance agent commissions and interest on Treasury borrowings are eligible for reimbursement through the fund.

GENERAL SERVICES ADMINISTRATION

CONSUMER INFORMATION CENTER

1982 appropriation	$1,290,000
1983 budget estimate	1,299,000
House allowance	1,299,000
Committee recommendation	1,351,000

The Committee recommends an appropriation of $1,351,000 for the Consumer Information Center. This is $52,000 more than the budget estimate and the House allowance.

PROGRAM DESCRIPTION

The Consumer Information Center was established within the General Services Administration by Executive order on October 26, 1970 and assigned two missions: (1) to assist Federal departments and agencies develop and release practical, relevant consumer information as a byproduct of the Government's research, development, and procurement activities, and (2) to increase public awareness of and access to this information.

The primary way that the Center promotes greater public awareness of existing Federal publications is through wide dissemination to the general public of the consumer information catalog. The catalog lists both sales and free publications available from the Government Printing Office (GPO) distribution facility in Pueblo, Colorado. In fiscal year 1981, the Center distributed a total of more than 21 million publications. Distribution of sales publications through the catalog returned more than $1.4 million to the U.S. Treasury. Distribution costs of the free publications are financed by the Federal agencies reimbursements to this appropriation to cover GPO expenses relating to the free publications.

COMMITTEE RECOMMENDATION

The Committee recommends $1,351,000 for the Center. In fiscal year 1982, the Congress provided an additional $30,000 for a study to examine the effects of imposing a charge on consumers ordering free publications through the Pueblo, Colo. distribution facility. The Center's report shows that a charge can be successfully applied to partially offset the costs of providing free publications. In fact, the revenues to the Government are estimated to be about $1,600,000 annually. The Committee, therefore, directs the Center to charge $1 on orders for more than one free publication from the consumer information catalog. Implementation of this charge should begin with the spring 1983 edition of the catalog and all revenues should be deposited under miscellaneous receipts of the U.S. Treasury.

It is expected that establishment of a charge may decrease demand for the consumer information catalog. The Committee considers it essential that Americans be made aware of the information available to them through their Federal Government. With this in mind, the Committee directs the Center to take action to promote the availability of the catalog through public service advertising, and other marketing initiatives. The Committee is therefore providing an additional $52,000 to support public service advertising and other promotional activities.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

OFFICE OF CONSUMER AFFAIRS

1982 appropriation	$1,848,000
1983 budget estimate	1,987,000
House allowance	1,947,000
Committee recommendation	1,947,000

The Committee recommends an appropriation of $1,947,000 for the salaries and expenses of the Office of Consumer Affairs. This amount is $40,000 less than the budget estimate and the same as the House allowance.

PROGRAM DESCRIPTION

In accordance with Executive Order 11583 of February 26, 1971, the staff of the U.S. Office of Consumer Affairs presents consumer needs and viewpoints in the Federal Government, fosters consideration of consumer interests by other Government agencies, voluntary groups and business, and seeks to inform and educate individual citizens to deal more effectively in the marketplace and to learn of opportunities to participate in Government decisionmaking. The Director of USOCA traditionally serves as a Special Assistant to the President.

The staff of USOCA also provides assistance to the Consumer Affairs Council established by Executive Order 12160 of September 26, 1979. The functions of the Council are to provide leadership and coordination to insure that agency consumer programs are implemented effectively, to strive to maximize effort, promote efficiency and interagency cooperation, and to eliminate duplication and inconsistency among agency consumer programs.

COMMITTEE RECOMMENDATION

The Committee concurs with the House in recommending $1,947,000 for the activities of the Office of Consumer Affairs in fiscal year 1983. This is an increase of $187,000 above the 1982 appropriation and $40,000 below the budget request. The Committee has denied $40,000 of the $151,000 increase requested for space rental costs and suggests a reduction in space rented in proportion to the decrease in personnel.

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

RESEARCH AND DEVELOPMENT

1982 appropriation	$4,738,000,000
1983 budget estimate	5,334,000,000
House allowance	5,542,800,000
Committee recommendation	5,117,800,000

The Committee recommends an appropriation of $5,117,800,000 in fiscal year 1983 for the research and development activities of the National Aeronautics and Space Administration. This amount is $216,200,000 less than the budget estimate and $425,000,000 less than the House allowance.

PROGRAM DESCRIPTION

The objectives of the National Aeronautics and Space Administration program of research and development are to extend our knowledge of the Earth, its space environment, and the universe; to expand the practical applications of space technology; to develop, operate, and improve manned and unmanned space vehicles; to provide technology for improving the performance of aeronautical vehicles while minimizing their environmental effects and energy consumption; and to assure continued development of the aeronautics and space technology necessary to accomplish national goals. The research and development program at NASA consists of the following activities:

Space transportation systems.—This activity provides all of the transportation and associated capabilities required to conduct space operations. The major focus of NASA's space transportation program is the Space Shuttle—the first reusable space vehicle and the principal element of a versatile space transportation system designed to provide domestic and international users with round trip access to space for the 1980's and beyond. The Shuttle consists of a reusable delta-wing orbiter vehicle with three main engines, an expendable propellant tank, and reusable twin solid rocket boosters. It provides unique capabilities for placement and retrieval of satellites, in-orbit servicing of satellites, and delivery to Earth orbit of payloads and propulsive stages of higher altitude and planetary missions. The operational era of the Space Shuttle will be initiated in fiscal year 1983. Operational activities in fiscal year 1983 will support five flights and procurement, assembly and checkout of the solid rocket boosters, external tanks, and other hardware for flights in subsequent years. Production activities in fiscal year 1983 will feature the final preparations for the delivery of the third flight Orbiter and the operational modifications to the first orbiter vehicle. The development of a lighter-weight solid rocket booster will be pursued to provide additional performance for west coast launches of the Space Shuttle. The appropriation will also provide expendable launch vehicles and services to augment the Space Shuttle.

Space science.—This program utilizes space systems, supported by airborne and ground-based observations, to conduct scientific investigations of the Earth and its space environment, the Sun, the planets, and interplanetary and interstellar space, and the other stars of our galaxy and universe. Results from these investigations contribute to our understanding of the universe, including the key questions of life, matter, and energy. In fiscal year 1983 work will continue on the development of the space telescope project, the Gamma Ray Observatory, the Galileo project, the International Solar Polar Mission experiments, preparation for the joint NASA/DOD solar maximum mission repair, spacelab payloads, several explorer projects, and various research efforts.

Space and terrestrial applications programs.—These programs are designed to identify, develop, demonstrate, and transfer space technology, systems, and other capabilities which can be effectively used for practical benefits. Space applications research and development covers the areas of resource observations, environmental observations, materials processing in space, communications and information systems, which are designed to accelerate and expand the availability and use of technology developed in all NASA programs into the private and public sectors of the economy. Among the major space and terrestrial applications activities planned for fiscal year 1983 are: operation of the Landsat-D Earth resources satellite, which was launched in July 1982; continued development of the Earth radiation budget experiment satellite system in cooperation with other Federal agencies; in-house development of the halogen occultation experiment; and development of the upper atmospheric research satellite experiments and mission definition, Shuttle/spacelab payload development, and continued work in the areas of materials processing, communications research and development, and the utilization of NASA-generated technology by both the public and private sectors.

Aeronautics and space technology.—The objective of the aeronautics program is the advancement of aeronautical technology to insure safer, more economical, efficient and environmentally acceptable air transportation systems which are responsive to current and projected national needs. The program is designed to help maintain our long-term competitive position in the international aviation marketplace and to support the military in maintaining the superiority of the Nation's military aircraft. In fiscal year 1983, the budget request accords priority to advanced national security objectives. The objective of the space research and technology program is to provide the technology base necessary to support current and future space activities, to formulate technology options for the future, and to advance technology required to further reduce the costs of space activities.

Tracking and data acquisition.—This program provides for continuation of tracking and data acquisition for Earth orbital spacecraft, planetary missions, sounding rockets, and research aircraft. This support is provided by a worldwide network of NASA ground stations interconnected by a communications system which provides the capability for instantaneous transmission of data and critical commands between spacecraft and the flight control centers. Facilities are also provided to process into meaningful form the scientific, applications, and engineering data which are collected from flight projects. A major aspect of the tracking and data acquisition program is the tracking and data relay satellite system (TDRSS) which will support essentially all Earth orbital spacecraft missions and improve NASA's Earth orbital tracking and data acquisition capabilities. NASA will acquire this capability through an arrangement under which the contractor will establish the system and provide NASA with TDRSS services beginning in fiscal year 1983. In the interim, the Agency's spacecraft tracking and data network will support Earth orbital scientific and applications spacecraft and all

Shuttle orbital flight tests as well as international missions and missions of other U.S. agencies. The deep space network tracking system will continue to support a number of planetary missions in 1983.

COMMITTEE RECOMMENDATION

The Committee recommends $5,117,800,000 for NASA's R. & D. activities. This recommendation is based on the Agency's fiscal year 1983 budget justification with the following changes: $233,000,000 for Centaur F upper stage development, procurement, and integration and upper stages for the tracking data relay satellite system (+$100,000,000 above the request); $280,000,000 for aeronautical research and technology (+$48,000,000 above the request to be used at the discretion of the Agency)—in determining the use of this add-on, the Committee suggests that NASA carefully review the findings of the recent report (July 1982) on aeronautics by the National Research Council; $9,000,000 for technology utilization (+$5,000,000 above the request); $664,300,000 for physics, astronomy, and planetary exploration (+$38,000,000 above the request, of which not less than $5,000,000 shall be for physics and astronomy)—these additional funds should be used to support existing planetary missions, research, and data analysis; $39,900,000 for space applications communications and information systems (+$20,000,000 above the request)—the additional funds are to be applied to the 30/20 gigahertz test and evaluation program; $1,800,000 for the operation of the infra-red telescope facility at Mauna Kea, Hawaii (+$1,800,000 above the request)—in the future, the Committee expects this facility to compete for funding in the National Science Foundation's budget; $1,005,100,000 for space transportation systems operation (−$409,000,000 below the request)—this reduction is consistent with the assumption in the Senate authorization bill (H.R. 5890)—this bill assumes that the reimbursement for launch services on Shuttle flights will be increased by DOD in this amount; and −$20,000,000 as a general reduction to be applied at the discretion of the Agency to programs other than those augmented above. Within the amounts available for R. & D., the Committee has no objection to NASA requesting a reprograming to maintain the Centaur G option.

The House included bill language establishing limitations on programs that cannot be exceeded without the approval of the committees. The Committee has deleted these "caps" and substituted binding levels for upper stage development and aeronautics. The Committee also established a maximum level for the Space Shuttle (other than space flight operations) at $1,769,000,000.

The Committee notes that with the enactment of the Small Business Innovation Development Act of 1982 (Public Law 97–219) Federal agencies having an extramural R. & D. budget exceeding $100,000,000 in fiscal year 1983, shall expend no less than 0.2 percent of this budget on a small business innovation program. The Committee endorses the need for channeling Federal funds into small R. & D. firms. In order to provide a transition to this new policy, the Committee has included language requiring NASA to make $1,570,000 available for the purposes of the Small Business Innovation Development Act. This funding level is based on an estimate of the total dollar value of new R. & D. contract funds.

The Committee understands that NASA now has underway a major planning activity to define a future space station program, for consideration by the administration and Congress as a major new initiative in space. The Committee approves of such a planning activity, but expects NASA to keep the Committee on Appropriations fully informed of the direction and scope of this planning activity.

Finally, the Committee has retained House language requiring that NASA seek approval of the committees for a new procurement on the fifth Shuttle orbiter. While the Committee believes that the development of the fifth orbiter may be desirable, a new procurement of this magnitude should not be made without the careful review of the Appropriations Committees.

CONSTRUCTION OF FACILITIES

1982 appropriation	$98,700,000
1983 budget estimate	100,000,000
House allowance	95,000,000
Committee recommendation	100,000,000

The Committee recommends an appropriation of $100,000,000 for facilities activities in fiscal year 1983. This amount is the same as the budget estimate and $5,000,000 more than the House allowance.

PROGRAM DESCRIPTION

The construction of facilities account provides for contractual services for repair, rehabilitation, and modification of existing facilities; the construction of new facilities; and acquisition of related facility equipment; the design of facilities projects; and, advance planning related to future facilities needs.

COMMITTEE RECOMMENDATION

The Committee recommends $100,000,000 for this account. The Committee notes that NASA's request to OMB was for $164,800,000 and the replacement value of the Agency's physical plant is estimated at $20,000,000,000. The Committee does not believe the reduction proposed by the House would be cost effective in the long run and has therefore restored the reduction.

RESEARCH AND PROGRAM MANAGEMENT

1982 appropriation	$1,183,300,000
1983 budget estimate	1,178,900,000
House allowance	1,168,900,000
Committee recommendation	1,177,000,000

The Committee recommends an appropriation of $1,177,000,000 in fiscal year 1983 for research and program management. This amount is $1,900,000 less than the budget estimate and $8,100,000 more than the House allowance.

PROGRAM DESCRIPTION

The research and program management appropriation supports the performance and management of research, technology, and test activities at NASA installations, and the planning, management, and support of contractor research and development tasks necessary to meet the Nation's objectives in aeronautical and space research. Specifically, this appropriation provides the technical and management capability of the civil service staff needed to conduct the full range of programs for which NASA is responsible; maintains facilities and laboratories in a state of operational capability and manages their use in support of research and development programs; and provides technical and administrative support for the research and development programs at NASA.

COMMITTEE RECOMMENDATION

The Committee recommends $1,177,000,000 for research and program management. The Committee expects that the $1,900,000 decrease from the request level will be absorbed in the area of management, operations, and headquarters travel. The $7,129,000 increase in the management and operations subcategory was to cover, among other things, anticipated increases in contract rates and the replacement of a small administrative aircraft. The Committee believes that savings can be achieved in these areas.

The Committee notes that the total NASA travel budget has increased 40 percent since fiscal year 1981 and that the headquarters 1982 travel budget is now projected to be 9 percent greater than the estimate contained in the original fiscal year 1982 budget. The Agency should apply a portion of the decrease to headquarters travel, especially travel of non-NASA employees to Space Shuttle launches.

The Committee has deleted a House provision limiting the number of SES positions to 505. This would be a reduction of 15 positions from the current level of 520. The Committee does not believe that such congressional limitations are an effective way of controlling costs.

NATIONAL CREDIT UNION ADMINISTRATION

CENTRAL LIQUIDITY FACILITY

	Borrowing authority	*Direct loans*	*Administrative expenses*
1982 limitation	($600,000,000)	($4,400,000,000)	($1,641,000)
1983 budget estimate	(600,000,000)	(709,632,000)	(1,749,000)
House allowance	(600,000,000)		(1,368,000)
Committee recommendation	(600,000,000)		(1,368,000)

The Committee recommends borrowing authority of $600,000,000 and a limitation on administrative expenses of $1,368,000. This is the same loan limitation requested in the budget and $381,000 less than the budget estimate and the same as the House allowance.

PROGRAM DESCRIPTION

The National Credit Union Administration Central Liquidity Facility (CLF) was created by the National Credit Union Central Liquidity Facility Act (Public Law 95–630) as a mixed-ownership Government corporation within the National Credit Union Administration. It is managed by the National Credit Union Administration Board and is owned by its member credit unions.

The purpose of the facility is to improve the general financial stability of credit unions by meeting their seasonal and emergency liquidity needs and thereby encouraging savings, support consumer and mortgage lending, and provide basic financial resources to all segments of the economy. To become eligible for facility services, credit unions invest in the capital stock of the facility, and the facility uses the proceeds of such investments and the proceeds of borrowed funds to meet the liquidity needs of credit unions. The primary sources of funds for the facility are the stock subscriptions from credit unions and borrowings.

The facility may borrow funds from any source, with the amount of borrowing limited by Public Law 95–630 to 12 times the amount of subscribed capital stock and surplus.

COMMITTEE RECOMMENDATION

The Committee concurs with the House in recommending a limitation of $600,000,000 in the amount that may be borrowed from the public or any other sources, except the Secretary of the Treasury, as proposed in the budget estimate. Neither the House nor the Senate bill includes the $709,632,000 limitation on direct loans requested by the administration. The Committee believes that the existing borrowing authority limitation of $600,000,000 sufficiently controls the amount of CLF lending to credit unions. The credit limitation would only serve to restrict the turnover rate of the loan portfolio since it is a cumulative limitation.

The Committee recommends that the limitation on administrative expenses be reduced from the $1,749,000 requested to $1,368,000. This is the amount that the CLF indicated was required in fiscal year 1983.

NATIONAL SCIENCE FOUNDATION

1982 appropriation	$995,575,000
1983 budget estimate	1,072,768,000
House allowance	1,109,400,000
Committee recommendation	1,072,768,000

The Committee recommends an appropriation of $1,072,768,000 for the activities of the National Science Foundation. This amount is the same as the budget estimate and $36,632,000 less than the House allowance.

GENERAL DESCRIPTION

The National Science Foundation was established as an independent agency by the National Science Foundation Act of 1950 (Public Law 81–507) and is authorized to support basic and applied research, science and technology policy research, and related scientific and science education programs to promote the progress of science in the United States.

The Foundation supports fundamental and applied research in all major scientific disciplines, through grants, contracts, and other forms of assistance, such as cooperative agreements, awarded to more than 2,000 colleges and universities and to nonprofit organizations and other research organizations in all parts of the United States. The Foundation also encourages cooperative efforts by universities, industries, and Government and promotes the application of research and development to contribute to economic growth and the Nation's defense.

NSF also supports major national and international science programs including the U.S. Antarctic program and ocean drilling programs, as well as research and related activities in certain foreign countries funded with excess foreign currency owned by the United States.

The Foundation also supports, through contracts, five national astronomy centers and one national atmospheric research center. The centers provide telescopes and other facilities needed for advanced research. The six centers are: The National Radio Astronomy Observatory at Green Bank, West Virginia, which also operates the very large array radio astronomy facility near Socorro, New Mexico; the Kitt Peak National Observatory at Tucson, Arizona; the Cerro Tololo Inter-American Observatory in Chile; the National Astronomy and Ionosphere Center in Puerto Rico; the Sacramento Peak Observatory at Sunspot, New Mexico; and the National Center for Atmospheric Research at Boulder, Colorado.

NSF is the leading Federal supporter of basic research at academic institutions. It is estimated that the Foundation provides approximately 28 percent of Federal support for research going to academic institutions. In some fields, NSF provides the dominant share of Federal basic research support, including almost 70 percent in ground-based astronomy, over 50 percent in environmental sciences, over 95 percent in environmental biology, over 50 percent in mathematics, and nearly 40 percent in engineering. The National Science Foundation operates no in-house laboratories. Except for administrative costs (approximately 6 percent) and operations support costs for the U.S. Antarctic program (about 7 percent), all Federal funds appropriated to NSF go directly to non-Federal performers of scientific research and science and engineering education activities.

RESEARCH AND RELATED ACTIVITIES

1982 appropriation	$971,595,000
1983 budget estimate	1,055,568,000
House allowance	1,067,200,000
Committee recommendation	1,055,568,000

The Committee recommends an appropriation of $1,055,568,000 for research and related activities. This amount is the same as the budget estimate and $11,632,000 less than the House allowance.

PROGRAM DESCRIPTION

The research and related activities appropriation provides support for the Foundation's science, engineering, policy, and international research programs and administrative expenses. Separate appropriations are made for the science and engineering education program and for the excess foreign currency program to fund certain scientific activities overseas.

The Foundation's discipline oriented research program is subdivided into the following activities; mathematical and physical sciences; engineering; astronomical, atmospheric, Earth and ocean sciences; and biological, behavioral, and social sciences. The U.S. Antarctic program, NSF's ocean drilling program, and the program of scientific, technological, and international affairs are among the other research and related activities within this appropriation.

In fiscal year 1983, the Foundation will maintain broad support across the mathematical and physical sciences, with emphasis on strong experimental capability in all fields. Balance will also be maintained among individual research projects, special equipment programs, university laboratories, and national user facilities in accordance with scientific requirements. Computer research is proposed to receive special emphasis so as to continue the orderly development of experimental research facilities in the field. Research instrumentation and equipment of all types will be stressed throughout, and selected facility upgrading, such as improvements at the Cornell electron storage ring and construction of a "cooler" storage ring at the Indiana University cyclotron facility, will be undertaken. In fiscal year 1983, responsibility for operating the Stanford Synchrotron Radiation Laboratory will be transferred from NSF to DOE, while responsibility for construction of the phase II superconducting heavy ion cyclotron at Michigan State University will be transferred from DOE to NSF.

The program for engineering in fiscal year 1983 will expand basic and applied engineering research and improve the possibilities for converting research concepts and results into practical use. Special emphasis will include research in automation, robotics, microelectronics, novel chemical and separation processes, and water resources. Responsibility for motion data gathering, for use in earthquake engineering and other purposes, previously conducted by the Foundation is proposed for transfer to the U.S. Geological Survey, Department of the Interior.

The biological, behavioral, and social sciences activity will place particular emphasis on the following areas in fiscal year 1983: Studies of nitrogen fixation and photosynthesis in plants and of the use of plants as alternative sources of food and energy; maintenance of research resources in the social and economic sciences; research on quantification of the size of pools and rates of flux for major biogenic elements—such as carbon, nitrogen, and sulfur—on a global scale; nerve membranes and mapping of brain pathways; and research on molecular approaches to understand mechanisms of neuronal growth and development.

In the astronomical, atomospheric, Earth, and ocean sciences program activity, NSF intends to give priority to astronomical instrumentation and to studies of comets and late stages of stellar evolution; to basic atmospheric research on local weather, chemical processes in the atmosphere, and climate change; to Earth sciences related to earthquakes, volcanos, and the structure and evolution of the continental crust; and to ocean research related to interaction of physical and chemical processes with biological phenomena. Support is also included for five national astronomy observatories and the National Center for Atmospheric Research. Responsibility for operation of the National Scientific Balloon Facility in Palestine, Texas, has been transferred to the National Aeronautics and Space Administration because that agency is the primary user of the facility. Operation of university and oceanographic institution research ships will also be supported, and biological research in the southeast Bering Sea will continue, as will geological and geophysical research in Alaska and elsewhere in the Arctic.

The Foundation provides overall management and funding for the Antarctic program. The program is the principal expression of national interest and policy concern in Antarctica. It includes projects aimed at gaining a better understanding of the role played by the Antarctic ice sheets, the influence of the contient on the world's weather and climate, and the extent and dynamics of marine protein resources, as well as the mineral resource potential of the area. Included in fiscal year 1983, for the first time, is the responsibility for funding icebreaker support previously included in the budget of the U.S. Coast Guard, Department of Transportation.

The scientific, technological, and international affairs activity supports research on the interactions between science, technology, and public policy; and facilitates the international exchange of scientific and technological information and strengthens linkages between performers and the users of research. Among the major activities planned for this program in fiscal year 1983 are: programs to accelerate technological innovation; continued international scientific cooperation with advanced countries, particularly in Europe and Latin America; research and analysis on science and technology related to policy issues and international economic policy; maintenance of a comprehensive data base on the Nation's resources for science and technology; programs to strengthen the contributions of all qualified segments of the performing communities to U.S. science and technology enterprises.

The program development and management activity provides for the operation, support, management, and direction of all Foundation programs and activities and includes necessary funds to develop, manage, and coordinate NSF programs.

COMMITTEE RECOMMENDATION

The Committee recommends the budget request level of $1,055,568,000. This represents an increase of 8 percent over the fiscal year 1982 level. The Committee notes, that at this funding level, the Foundation will be able to support 10,567 grants in this account as opposed to the 10,523 in fiscal year 1982. At the same time, the Committee notes, with some concern, that the operating costs for the national Antarctic program has increased from $57,500,000 in 1982 to a requested level of $77,400,000 in the 1983 budget. In order to control this growing part of the NSF budget, the Committee has included language in this bill limiting NSF funds that can be applied to Antarctic operations to $62,100,000, which allows an 8-percent increase over the 1982 level. This action will free up an additional $15,300,000 for use in NSF's basic grant programs. The Committee expects the Foundation to apply the additional resources within the biological, bahavioral, social sciences; and for industry/university cooperative projects, which will include research projects, research and instructional scientific equipment, fellowships, scholarships, and such other programs as the NSF Director may determine are appropriate to promote academic research and education in the basic sciences and engineering.

The Committee does not believe that it would be wise to make a decision between the Glomar Explorer or the Glomar Challenger at this time. Although the cost estimates for refitting and operating the Explorer are still being reviewed, the costs are likely to be substantial. The Committee has therefore included bill language that would require the approval of the Committees on Appropriation before the Foundation commits to outfitting the Explorer.

The Committee expects that funding for the infra-red telescope facility at Mauna Kea, Hawaii be considered as part of NSF's fiscal year 1984 budget. Therefore, the Committee directs the Foundation to review the funding needs of this facility.

Finally, the Committee has restored funds requested by the Foundation for program development and management in fiscal year 1983 to $63,081,000. The $1,000,000 cut proposed by the House would result in the Foundation reducing its staffing ceiling by an additional 20 average employment (FTE) resulting in a total fiscal year 1983 reduction from the 1982 level of 83 FTE. The Committee considers a reduction of this magnitude too severe. Within the increased limitation, the Committee expects the Foundation to make sufficient resources available to implement the post performance evaluation recommendations made by the Committee and the National Academy of Sciences. The Committee expects a written report on this effort by April 1, 1983.

SCIENCE AND ENGINEERING EDUCATION ACTIVITIES

1982 appropriation	$20,900,000
1983 budget estimate	15,000,000
House allowance	40,000,000
Committee recommendation	15,000,000

The Committee recommends an appropriation of $15,000,000 for the Foundation's science education activities in fiscal year 1983. This amount is the same as the budget estimate and $25,000,000 less than the House allowance.

PROGRAM DESCRIPTION

The Foundation's science and engineering education program is designed to assure a stable flow of talented students into science and technology careers through a program of research fellowships. In fiscal year 1982 the National Science Foundation (NSF) awarded 1,340 graduate fellowships. Of this amount 500 were new fellowships. The remaining 840 were a continuation of fellowships awarded previously. In addition, 179 minority graduate fellowships have been awarded for fiscal year 1982; 55 of these were new minority graduate fellowships and 124 were continuations of fellowships awarded previously. In fiscal year 1983, NSF estimates that the fiscal year 1983 request would result in 1,250 graduate fellowships and 140 minority graduate fellowships being awarded.

Each fellowship provides a stipend of $6,900 per year for full-time graduate study. NSF graduate fellows and minority graduate fellows may attend any appropriate nonprofit U.S. institution of higher education. An annual education allowance of $4,000 is provided to the institution by NSF in lieu of all tuition and fees. Three full years of graduate study are supported by each fellowship. The fellowships may be used over a 5-year period, so students can incorporate teaching or research assistantships into their education during periods when they are not receiving fellowship support.

COMMITTEE RECOMMENDATION

The Committee recommends the budget request of $15,000,000 for science and engineering education activities. This should result in a fellowship level of 1,390, of which 500 will be new fellowships. The Committee continues to be concerned with the state of science and engineering education in the United States. The Committee does not disagree with the House that a Federal role in this area is desirable. The Committee's major concern is that this role must be coordinated between various Federal agencies and must be based on a local commitment to improving educational instruction and curricula. In this regard, the Committee looks forward to the report of the Foundation's blue ribbon commission on education.

SPECIAL FOREIGN CURRENCY PROGRAM (SCIENTIFIC ACTIVITIES OVERSEAS)

1982 appropriation	$3,080,000
1983 budget estimate	2,200,000
House allowance	2,200,000
Committee recommendation	2,200,000

The Committee recommends an appropriation of $2,200,000. This is the same as the budget estimate and the House allowance.

PROGRAM DESCRIPTION

The National Science Foundation supports scientific research and related activities in India and Pakistan by using U.S.-owned foreign currencies designated by the Department of the Treasury as excess to normal U.S. governmental requirements. Through the use of such special foreign currency, NSF provides support for scientific activities of benefit to the United States and to the participating foreign countries without exporting dollars. The objectives of the program are pursued primarily through grants for cooperative research and related activities by United States and foreign scientists and institutions and through contracts for translation into English of scientific and technical information from foreign language publications.

COMMITTEE RECOMMENDATION

The Committee recommends $2,200,000 for the special foreign currency program during fiscal year 1983.

NEIGHBORHOOD REINVESTMENT CORPORATION

1982 appropriation	$13,872,000
1983 budget estimate	15,512,000
House allowance	15,512,000
Committee recommendation	15,512,000

The Committee recommends an appropriation of $15,512,000 for the salaries and expenses of the Neighborhood Reinvestment Corporation in fiscal year 1983. This is the same as the budget estimate and the House allowance.

PROGRAM DESCRIPTION

The Neighborhood Reinvestment Corporation was created by the Neighborhood Reinvestment Corporation Act (title VI of the Housing and Community Development Amendments of 1978, Public Law 95-557, October 31, 1978). The Corporation through the neighborhood housing services (NHS) program improves the quality of life in NHS neighborhoods, exerts a long-term stabilizing influence on the neighborhood lending environment, reverses neighborhood decline and reduces the risk on conventional loans made in the neighborhood.

In 1983, the Corporation plans to continue developing NHS programs in additional cities and providing assistance to NHS programs expanding to additional neighborhoods. However, there will be a shift of staff effort from program development to training, technical assistance, and development of additional private sector financial resources. This shift is in response to NHS program needs growing out of inflation and high interest rates. The Corporation plans to continue developing neighborhood preservation projects in neighborhoods and use its appropriations to monitor and evaluate the progress and effect of such projects next year, and to replicate the tools developed in other localities. Special focus will be on the expansion of Mutual Housing Associations demonstrations (a concept broadly used in Western Europe) in the United States. The purpose of the demonstration currently underway in Baltimore, Maryland, is to develop a publicly accountable, competent, private, nonprofit organization committed to continuous production of housing at costs affordable to families and individuals typical of NHS neighborhoods. The Corporation is seeking capitalization grant support through foundation grants.

The Corporation will continue to explore models to provide residents with assistance in energy conservation, affordable housing, commercial revitalization, increased rental resources, and adequate and responsive insurance coverage.

In fiscal year 1983, three major initiatives are planned to be expanded by the Corporation. These include the:

NHS financial development project.—Neighborhood Housing Services of America is a private, nonprofit, State chartered, tax exempt corporation established to give added private sector strength to the NHS programs, and to provide a secondary market for NHS revolving loan fund loans. The Corporation supports NHSA's work with grants. NHSA is presently providing leadership to broaden the base of private corporate support for local NHS programs and ready the secondary market to meet the long term needs of NHS programs to sell revolving loan fund loans at below market rates. Three tracks are currently being followed to accomplish this: (1) training of Neighborhood Reinvestment and Neighborhood Housing Services of America staff members to enable them to provide technical assistance to local programs in expanding their local contributions base to the local corporate community; (2) provision of intensive technical assistance in corporate fundraising to NHS programs that need it most; and (3) development of a national fund raising campaign (managed by Neighborhood Housing Services of America) to be targeted on additional capital for the NHS secondary market and to funding "hands-on" technical assistance in fundraising.

Owner-built housing program.—The owner-built housing program addresses the severe shortage of affordable, quality housing facing moderate income families. This new program enlarges homeownership opportunity in NHS neighborhoods by families collectively building their own homes, with supervision, coordination, and technical assistance provided by the NHS. This program has resulted in the production of single-family homes for about half of market value.

Neighborhood business centers.—After working since 1974 to develop a model neighborhood commercial revitalization process, the Corporation now has a comprehensive program to offer in this area. In addition to the pilot programs in Atlanta and Bridgeport, development of neighborhood business centers will be starting in two other cities. The staffing capacity to provide intensive technical assistance to 10 NHS programs with commercial revitalization needs has also been developed.

COMMITTEE RECOMMENDATION

The Committee recommends the budget request of $15,512,000 for the Corporation in 1983. Other funding sources will increase the total available to the Corporation to approximately $18,406,000. The Committee has included bill language permitting other departments, agencies or instrumentalities of the Federal Government to provide funds, services, and facilities to the Corporation. This proviso should help decrease the Corporation's dependence on the Federal Home Loan Banks.

SELECTIVE SERVICE SYSTEM

SALARIES AND EXPENSES

1982 appropriation	$19,721,000
1983 budget estimate	23,386,000
House allowance	22,386,000
Committee recommendation	22,986,000

The Committee recommends an appropriation of $22,986,000 for the salaries and expenses of the Selective Service System. This is $400,000 less than the budget estimate and $600,000 more than the House allowance.

PROGRAM DESCRIPTION

The Selective Service System was reestablished by the Selective Service Act of 1948. The basic mission of the System is to be prepared to supply to the Armed Forces manpower adequate to insure the security of the United States during a time of national emergency. Since 1973, the Armed Forces have relied on volunteers to fill military manpower mobilization requirements. However, the Selective Service System remains the primary vehicle by which young people will be brought into the military through the reinstitution of the draft if mobilization occurs and if the legislative bar to reinstituting the draft is lifted.

Registration was reinstituted in July 1980. In January 1982, President Reagan reaffirmed the need for young men to register with Selective Service in order to save critical time in mobilization during an emergency. He also provided for a grace period for young men who were required to have registered before January 8, 1982, but who failed to do so. The grace period ran through February 28, 1982.

Selective Service plans to capitalize on the President's commitment to the continuation of registration by mounting an intensive public information campaign designed to inform young men of their obligation to register and the consequences of not doing so. Continuing promotional activities are also being prepared to keep this information in the public eye.

After identifying the names of those persons who registered during the grace period, Selective Service will carry out a program of full compliance with the registration law. Procedures are being developed for matching computerized records of registrants with those of the Social Security Administration. Eligible men not in Selective Service files will be identified as nonregistrants. Once these nonregistrants are identified, the Department of Justice, in coordination with the Selective Service System, will initiate appropriate enforcement action.

The mission of the Selective Service is not only to provide untrained manpower to augment the All Volunteer Force should it be needed but also to develop a system of due process to protect individual rights during the selection process. During fiscal year 1983, the Selective Service will continue to develop an administrative system to insure that every individual has access to a speedy, fair, and impartial hearing on application for deferment, exemption, or postponement. This includes the completion of an administrative law system and implementing procedures which meet current standards of due process; the recruitment and training of standby local and appeal board members and the development of an internal computer capability necessary to support continuous registration and mobilization induction claims and appeals process.

The last step in the revitalization process, the development of an alternative service program for conscientious objectors, with automated data processing support of that program, will be finalized in fiscal year 1983. This will provide Selective Service with completed registration, induction, claims processing, and alternative service capability. These procedures will be tested in a large scale interagency mobilization exercise scheduled for the fall of 1982.

COMMITTEE RECOMMENDATION

The Committee recommends $22,986,000 for the Selective Service System. The Committee approved the entire budget request except for a reduction of $400,000 for public information programs. Given that the current compliance rate is over 90 percent, the Committee does not believe that a public information program of the magnitude proposed is required.

The Committee, however, is concerned with the accuracy of the registration files. In this regard, funds for the compliance program, a new initiative of the President when he affirmed the need for registration, were not included in the fiscal year 1983 budget due only to the timing of budget formulation and presentation to the Congress. Estimates for fiscal year 1983 range from a simple match of relevant social security records and Internal Revenue Service addresses costing approximately $500,000 to a comprehensive effort involving State motor vehicle departments and commercial lists costing nearly $1,000,000. Therefore, the combined effect of absorbing the costs of an unfunded compliance program and the House cut of $1,000,000 may have a negative impact far in excess of the Agency's ability to reprogram funds.

DEPARTMENT OF THE TREASURY

PAYMENTS TO STATE AND LOCAL GOVERNMENT FISCAL ASSISTANCE TRUST FUND

1982 appropriation	$4,566,700,000
1983 budget estimate	4,566,700,000
House allowance	4,566,700,000
Committee recommendation	4,566,700,000

The Committee recommends an appropriation of $4,566,700,000 for payments to the State and local government fiscal assistance trust fund in fiscal year 1983. This is the same as the budget estimate and the House allowance.

PROGRAM DESCRIPTION

The State and local government fiscal assistance trust fund provides revenue-sharing payments to localities to supplement local revenue sources. Payments to localities are made quarterly. Currently, 39,312 units of general-purpose local governments are eligible to receive revenue-sharing funds: the District of Columbia, 3,106 counties, 19,043 cities, 16,810 towns and townships, and 352 Indian tribes and Alaskan Native villages.

Distribution of the funds is based on population, tax effort, and per capita income. Local jurisdictions are allowed to use the funds for any purposes for which they can legally use revenues generated locally.

COMMITTEE RECOMMENDATION

The Committee recommends the budget request of $4,566,700,000 for general revenue-sharing payments for fiscal year 1983.

OFFICE OF REVENUE SHARING, SALARIES AND EXPENSES

1982 appropriation	$6,209,000
1983 budget estimate	6,612,000
House allowance	6,612,000
Committee recommendation	6,612,000

The Committee recommends an appropriation of $6,612,000 for the salaries and expenses of the Office of Revenue Sharing in the Department of the Treasury. This is the same as the budget estimate and the House allowance.

PROGRAM DESCRIPTION

The Office of Revenue Sharing was established in 1972 for the purpose of implementing the State and Local Fiscal Assistance Act of 1972, which was amended and extended through September 30, 1983 by the State and Local Fiscal Assistance Amendment of 1980 (Public Law 96–604). Specifically, the Office of Revenue Sharing is responsible for correctly computing and distributing revenue-sharing funds and maintaining adequate controls to insure the integrity of the trust funds; supplying adequate information, data, and technical assistance to all recipients to assure compliance with the act; improving the quality of State and local audits to eliminate noncompliance with audit requirements; insuring compliance with the nondiscrimination and public participation provisions of the act; and, at regular intervals, reporting to Congress, recipient governments, and the general public.

COMMITTEE RECOMMENDATION

The Committee recommends $6,612,000 for the salaries and expenses of the Office of Revenue Sharing.

NEW YORK CITY LOAN GUARANTEE PROGRAM, ADMINISTRATIVE EXPENSES

1982 appropriation	$822,000
1983 budget estimate	310,000
House allowance	310,000
Committee recommendation	310,000

The Committee recommends an appropriation of $310,000 for the administrative expenses of the New York City loan guarantee program in fiscal year 1983. This is the same as the budget estimate and the House allowance.

PROGRAM DESCRIPTION

The New York City Seasonal Financing Act of 1975 was passed in response to the need of the city of New York to obtain short-term Federal loans so that essential city government services could be financed and maintained. The act also authorized the appropriation of administrative funds for the management of the seasonal loan program which expired on June 30, 1978. Although the city met all the requirements of the Seasonal Financing Act, it was determined further Federal financial assistance would be necessary in order to facilitate New York City's access to conventional credit markets. Therefore, in order to insure the financial solvency of the city, the New York City Loan Guarantee Act (Public Law 95-339) was established, authorizing the Secretary of the Treasury, in the 4 years ending June 30, 1982, to guarantee up to $1,650,000,000 of New York City debt for a period of time not to exceed 15 years.

To date, a total of $1,650,000,000 in loans has been guaranteed by the Department of the Treasury, and it is estimated by the Department that at least $38,000,000 in guarantee fees levied on the outstanding principal amount of guaranteed city indebtedness will be paid to the Treasury over the life of the bonds.

The purpose of the Office is to monitor and analyze information to assist the Secretary of the Treasury in assessing the extent to which New York City's fiscal and financial problems are being solved. Specifically, the staff of the Office reviews and analyzes the city's processing of financial data; reviews the city's 4 year financial plan and modifications thereto; analyzes monthly statistics on changes in employment levels and payroll expenditures to insure compliance with the balanced budget test of the Loan Guarantee Act; analyzes the fiscal resources and operations of New York State; monitors the city's progress toward access to public credit markets; and insures, that financing commitments are in place and maintained.

Although the Treasury Secretary's authority to issue guarantees under the act expires on June 30, 1982, continued monitoring and oversight over the city's fiscal and financing progress is required by Treasury staff so long as guaranteed debt remains outstanding to insure the prompt and proper repayment of such guaranteed debt.

In fiscal year 1982, $600,000,000 of guarantees were issued—$300,000,000 in November 1981 and the remainder in February 1982. These guarantees were issued under the city's revised financing plan covering fiscal years 1982 through 1985. The financing plan calls for the Municipal Assistance Corporation (MAC) to sell its bonds publicly in 1981 and 1982 and set the proceeds aside for use as a source of financing the city's capital needs in 1983 and 1984. MAC would also issue new debt in 1983 and 1984. The premise of the revised plan is that the city will not be able to reenter the market as early as anticipated when the act was passed in 1978, and that large involvement of MAC as well as the issuance of standby guarantees are necessary.

COMMITTEE RECOMMENDATION

The Committee recommends the budget request of $310,000 for the administration of the New York City loan guarantee program for fiscal year 1983.

VETERANS ADMINISTRATION

COMPENSATION AND PENSIONS

1982 appropriation	$13,824,000,000
1983 budget estimate	13,430,800,000
House allowance	[1] 13,170,800,000
Committee recommendation	13,430,800,000

[1] Excludes $260,000,000 transferred to the construction, major projects account.

The Committee recommends an appropriation of $13,430,800,000 for veterans compensation and pensions. This amount is the same as the budget estimate and $260,000,000 more than the House allowance.

PROGRAM DESCRIPTION

Compensation is payable to living veterans who have suffered impairment of earning power from service-connected disabilities. The amount of compensation is based upon the impact of disabilities on earning capacity. Death compensation or dependency and indemnity compensation is payable to the surviving spouses and dependents of veterans whose deaths occur while on active duty or result from service-connected disabilities. A clothing allowance is also provided for service-connected veterans who use a prosthetic or orthopedic device.

The Veterans Disability Compensation, Housing, and Memorial Benefits Amendments of 1981 (Public Law 97–66) increased both disability compensation for disabled veterans and dependency and indemnity compensation rates for surviving spouses and children by approximately 11.2 percent, effective October 1, 1981.

The Prisoner of War Health-Care Benefits Act of 1981 (Public Law 97–37), effective October 1, 1981, liberalized entitlement to compensation benefits for POW's by reducing, from 6 months to 30 days, the period of internment required for presumptive service-connection to be applied.

Pensions are an income security benefit payable to needy wartime veterans who are precluded from gainful employment due to nonservice connected disabilities which render them permanently and totally disabled. Veterans 65 years of age or older are excluded from the permanent and total disability requirement in determining eligibility. Death pensions are payable to needy surviving spouses and children of deceased wartime veterans. The rate payable for both disability and death pensions is determined on the basis of the annual income of the veteran or his survivors.

The Veterans and Survivors' Pension Improvement Act of 1978 (Public Law 95–588) reformed the pension program and provided for automatic annual cost-of-living increases comparable to annual social security increases for those pensioners in the improved program and to parents receiving dependency and indemnity compensation. The increase for fiscal year 1982 was 11.2 percent.

COMMITTEE RECOMMENDATION

The Committee recommends the budget request of $13,430,800,000 for veterans compensation and pensions. The estimated caseload and costs by program for 1982 and 1983 are as follows:

	1982	1983	Difference
Caseload:			
Compensation:			
Veterans	2,283,850	2,290,400	+6,550
Survivors	354,400	353,570	-830
Pensions:			
Veterans	851,000	820,000	-31,000
Survivors	995,000	943,000	-52,000
Burial benefits	130,500	132,000	+1,500
Funds:			
Compensation:			
Veterans	$7,803,100,000	$7,713,007,000	-$90,093,000
Survivors	1,722,700,000	1,734,015,000	+11,315,000
Pensions:			
Veterans	2,533,500,000	2,638,550,000	+105,050,000
Survivors	1,413,800,000	1,388,207,000	-25,593,000
Burial benefits	129,144,000	133,291,000	+4,147,000
Other assistance	38,156,000	29,109,000	-9,047,000
Miscellaneous adjustments	+183,600,000	-205,379,000	-388,979,000
Total, appropriation	13,824,000,000	13,430,800,000	-393,200,000

The administration has again proposed dividing the compensation and pensions appropriation into three separate accounts: compensation, pensions, and burial benefits and miscellaneous assistance. The Committee again has disapproved this proposal and recommends $13,430,800,000 in a single compensation and pensions appropriation in fiscal year 1983.

Although the Committee is recommending the full 1983 budget request, it recognizes that because of a lower than anticipated compensation and pension caseload in fiscal year 1982, there should be an expected carryover of $393,000,000 into fiscal year 1983. However, supplemental requirements in 1983 are expected to use all of this carryover and require an additional $292,000,000 of new budget authority. Furthermore, both the Senate and the House rejected in H.R. 6863 the administration's request to transfer funds from compensation and pensions to the medical care account, because such transfer of entitlement funds should not be encouraged. For both of these reasons, the Committee struck the House provision contained in the construction major projects account, transferring $260,000,000 from compensation and pensions to fund the Minneapolis, Minnesota, replacement hospital.

The 1983 Veterans Administration budget reflects proposed legislative savings of approximately $234,000,000 in individual appropriations, primarily the compensation and pensions account. This method of scorekeeping differs from past practices. The Committee agrees with the House that such proposed legislative savings should not be reflected in individual budget requests and directs the VA to submit future budgets based on existing legislation.

READJUSTMENT BENEFITS

1982 appropriation	$1,919,100,000
1983 budget estimate	1,665,800,000
House allowance	1,665,800,000
Committee recommendation	1,665,800,000

The Committee recommends an appropriation of $1,665,800,000 for readjustment benefits. This amount is the same as the budget estimate and the same as the House allowance.

PROGRAM DESCRIPTION

The readjustment benefits appropriation finances the education, and training of veterans and servicepersons whose service occurred at least in part, between February 1, 1955 and December 31, 1976—post-Korean and Vietnam-era veterans. It also finances educational assistance allowances for eligible dependents of those veterans who died from service-connected causes or have a total permanent service-connected disability as well as dependents of servicepersons who were captured or missing in action. Also, a 2-for-1 matching funds program is provided for veterans whose entire service occurred after December 31, 1976. Since January 1, 1982 the Department of Defense has provided these educational matching payments. In addition, certain disabled veterans are provided with vocational rehabilitation, specially adapted housing grants, and automobile grants with associated approved adaptive equipment.

The Omnibus Budget Reconciliation Act of 1981 (Public Law 97–35) effective October 1, 1981, terminated new enrollments into flight training and reduced the payment to correspondence trainees from 70 percent of costs to 55 percent.

The Veterans' Disability Compensation, Housing, and Memorial Benefits Amendments of 1981 (Public Law 97–66) effective October 1, 1981, increased the maximum amount for a specially adapted housing grant from $30,000 to $32,500. It also increased the maximum amount for an automobile grant from $3,800 to $4,400 and extended eligibility for adaptive equipment to veterans suffering service-connected ankylosis of one or both knees or hips.

The Veterans Health Care, Training, and Small Business Loan Act of 1981 (Public Law 97–72) effective January 1, 1982, provides a 2-year extension of the delimiting period for certain Vietnam-era veterans to pursue on-job training, vocational technical training, or high school training.

COMMITTEE RECOMMENDATION

The Committee recommends the budget request of $1,665,800,000 for readjustment benefits for fiscal year 1983.

The recommended amount is based on the following assumptions:

	1982	1983	Difference
Number of trainees:			
Education and training:			
Post-Korean conflict veterans and service persons	842,000	692,100	-149,900
Post-Vietnam era veterans	5,700		-5,700
Dependents	91,900	89,480	-2,420
Special assistance to disabled veterans: Vocational rehabilitation	29,700	30,040	+340
Total	969,300	811,620	-157,680
Funds:			
Education and training:			
Post-Korean conflict veterans and service persons	$1,624,682,000	$1,336,816,000	-$287,866,000
Post-Vietnam era veterans	2,150,000		-2,150,000
Dependents	205,411,000	200,275,000	-5,136,000
Special assistance to disabled veterans:			
Vocational rehabilitation	116,571,000	100,036,000	-16,535,000
Housing grants	18,275,000	17,950,000	-325,000
Automobiles and other conveyances	3,080,000	2,860,000	-220,000
Adaptive equipment	13,751,000	12,863,000	-888,000
Unobligated balances and other adjustments	-39,020,000	-5,000,000	+34,020,000
Transfer from other accounts	-25,800,000		+25,800,000
Total appropriation	1,919,100,000	1,665,800,000	-253,300,000

The Committee has deleted a House proviso which would prohibit the use of funds in this account for individuals enrolling in correspondence training after September 30, 1982. The Committee believes that correspondence training represents a cost-effective educational program for those veterans who cannot attend school on a full-time basis.

VETERANS INSURANCE AND INDEMNITIES

1982 appropriation	$8,500,000
1983 budget estimate	6,400,000
House allowance	6,400,000
Committee recommendation	6,400,000

The Committee recommends $6,400,000 for veterans insurance and indemnities in fiscal year 1983. This amount is the same as the budget estimate and the House allowance.

PROGRAM DESCRIPTION

The veterans insurance and indemnities appropriation is made up of the former appropriations for military and naval insurance, applicable to World War I veterans; National Service Life Insurance, applicable to certain World War II veterans; and Servicemen's indemnities, applicable to Korean conflict veterans.

COMMITTEE RECOMMENDATION

The Committee recommends the budget request of $6,400,000 for this account in fiscal year 1983. This amount will cover the cost to various insurance funds for claims traceable to the extra hazards of service and death claims on policies under waiver of premiums while the insured is on active duty.

MEDICAL CARE

1982 appropriation	[1] $7,101,028,000
1983 budget estimate	7,495,879,000
House allowance	7,512,661,000
Committee recommendation	7,493,824,000

[1] Excludes $12,698,000 transferred out of medical care to other VA accounts in Public Law 97-216.

The Committee recommends an appropriation of $7,493,824,000 for VA medical care in fiscal year 1983. This amount is $2,055,000 less than the budget estimate and $18,837,000 less than the House allowance.

PROGRAM DESCRIPTION

The VA operates the largest medical care delivery system in the country, with 172 hospitals, 16 domiciliaries, 102 nursing homes, and 228 outpatient clinics. It is estimated that the VA medical care system will treat over 1.3 million patients in fiscal year 1983 and that over 18.3 million outpatient medical and dental visits will be made to VA and community health care facilities.

This appropriation provides for medical care and treatment of eligible beneficiaries in VA hospitals, nursing homes, domiciliary, and outpatient clinic facilities; contract hospitals; State home facilities, on a grant basis; contract community nursing homes; and through the hometown outpatient program on a fee basis. Hospital and outpatient care also is provided for certain dependents and survivors of veterans under the civilian health and medical program of the VA (CHAMPVA). The medical care appropriation also provides for training of medical residents and other personnel in health science fields to support the agency's and the Nation's health manpower demands.

COMMITTEE RECOMMENDATION

The Committee recommends $7,493,824,000 for the medical care account for fiscal year 1983. The decrease of $2,055,000 is based on a continuation of the policy established in H.R. 6863 relative to the Agent Orange research program. The funds associated with the research effort have been added to the VA's medical and prosthetic research account. At this level of funding, the average employment (FTEE) in medical care will be 187,546 or 1,259 FTEE above the 1982 level.

The Committee wishes to reiterate its strong support of the VA's vet center program. Last year, the Committee restored the original January budget request of $31,400,000 and 552 staff years for this activity. The 1983 budget includes $31,400,000 for operation outreach. The Committee has included all of these funds for fiscal year 1983, and expects the VA to obligate the funds fully, effectively, and efficiently for this activity, which is targeted at solving the problems of Vietnam-era veterans. The Committee directs that the VA devote additional resources to training and program evaluation.

MEDICAL AND PROSTHETIC RESEARCH

1982 appropriation	[1] $136,657,000
1983 budget estimate	137,793,000
House allowance	155,000,000
Committee recommendation	150,329,000

[1] Includes $4,198,000 transferred from medical care in Public Law 97-216.

The Committee recommends an appropriation of $150,329,000 for medical and prosthetic research activities. This amount is $12,536,000 more than the budget estimate and $4,671,000 less than the House allowance.

PROGRAM DESCRIPTION

The appropriation recommended by the Committee provides funds for the conduct of the VA's medical research program and for a rehabilitative research program focusing on rehabilitative engineering problems in the field of prosthetics, orthotics, adaptive equipment for vehicles, sensory aids and related areas. The medical and prosthetic research account also provides support for health services research projects at VA medical centers for improving the effectiveness and economy of delivery of health services and improving the accessibility of services to veterans.

COMMITTEE RECOMMENDATION

The Committee recommends $150,329,000 for medical and prosthetic research. The additional $12,536,000 is composed of the following: +$2,536,000 transferred from the medical care and medical administration and miscellaneous operating expense accounts for use on Agent Orange studies; and +$10,000,000 to be applied by the VA to restore the program back to the fiscal year 1981 level and to provide additional funding to VA's highest priority research.

These additions should result in an average employment (FTEE) of 4,316 or 203 FTEE above the 1982 level. The Committee believes that additional research on patient care and geriatrics are particularly fruitful areas for additional funding.

MEDICAL ADMINISTRATION AND MISCELLANEOUS OPERATING EXPENSES

1982 appropriation	[1] $63,392,000
1983 budget estimate	55,807,000
House allowance	56,107,000
Committee recommendation	55,807,000

[1] Includes $8,000,000 transferred from medical care in Public Law 97-216.

The Committee recommends an appropriation of $55,807,000 for medical administration and miscellaneous operating expenses. This amount is the same as the budget estimate and $300,000 less than the House allowance.

PROGRAM DESCRIPTION

This appropriation provides funds for: (1) central office executive direction, administration and supervision of all VA medical programs, including development and implementation of policies, plans and program objectives as well as followup action to insure the accomplishment of goals; (2) postgraduate and inservice training activities in support of continuing education for employees of various medical programs, including costs of tuition, travel, lecturer's fees, and training materials, and equipment; and (3) a health professional scholarships program for eligible, full-time students in degree programs.

COMMITTEE RECOMMENDATION

The Committee recommends the budget request level of $55,807,000 for this account. Because the Committee has consolidated the Agent Orange research in the medical and prosthetic research account, an estimated $481,000 in this account will be freed up for other use. Therefore, the VA is instructed to add an additional 13 staff years to administer the nurse scholarship program and to continue the Agent Orange project office. The amount recommended will support an estimated average employment (FTEE) 866.

GENERAL OPERATING EXPENSES

1982 appropriation	$662,055,520
1983 budget estimate	693,359,000
House allowance	686,359,000
Committee recommendation	691,359,000

The Committee recommends an appropriation of $691,359,000 for general operating expenses in fiscal year 1983. This amount is $2,000,000 less than the budget estimate and $5,000,000 more than the House allowance.

PROGRAM DESCRIPTION

This appropriation provides for the administration of nonmedical veterans benefits through the Department of Veterans Benefits; the operation and maintenance of 108 national cemeteries by the Department of Memorial Affairs; data processing operations and communications systems through the Office of Data Management and Telecommunications; and top management direction and support through agency-level staff offices. Specifically, general operating expenses cover the following activities:

General administration.—This activity includes the executive direction of the agency and several top level supporting offices, plus the activities of the Board of Veterans Appeals, which decides all cases of appeals to the Administrator on claims involving benefits under veterans legislation, and the Board of Contract Appeals, which decides appeals on the contracts made by the Veterans Administration.

Data management.—This activity includes management of computer operations and provides technical support and assistance in the development of new computer and communications systems.

Veterans benefits.—This activity determines eligibility and adjudicates all claims for compensation, pensions, educational assistance, housing loan assistance, and insurance awards.

Memorial affairs.—This activity provides for the interment of eligible deceased servicepersons, discharged veterans, and dependents in national cemeteries and procures headstones and markers for graves of eligible active duty personnel as well as discharged veterans.

COMMITTEE RECOMMENDATION

The Committee recommends an additional $5,000,000 over the House allowances for general operating expenses. For fiscal year 1983, the VA requested an increase of over $53,000,000. The Committee believes that the VA can absorb the recommended $2,000,000 decrease.

The Committee notes, as did the House, that the budget assumes the Veterans Administration will sell its entire portfolio of saleable loans in 1983. This is estimated to amount to more than $1,000,000,000. The Committee urges the VA to be cautious in the sale of such loans and sell only when it is advantageous to the Government.

At the proposed level of funding the Committee expects the average employment (FTEE) funded through this account to be 21,232.

CONSTRUCTION, MAJOR PROJECTS

1982 appropriation	$372,270,000
1983 budget estimate	419,392,000
House allowance	[1] 687,142,000
Committee recommendation	409,392,000

[1] Includes $260,000,000 transferred from the compensation and pensions account.

The Committee recommends an appropriation of $409,392,000 for the construction of major projects in fiscal year 1983. This amount is $10,000,000 less than the budget estimate and $277,750,000 less than the House allowance.

PROGRAM DESCRIPTION

The major construction program provides for constructing, altering, extending, and improving any VA facility, including planning, architectural and engineering services, and site acquisition, where the estimated cost of a project is $2,000,000 or more, or where funds for a project were made available in a previous major project appropriation.

COMMITTEE RECOMMENDATION

A construction program of $409,392,000 in appropriations is recommended for the construction projects listed below.

[In thousands of dollars]

Facility type and location	Administration request	House recommendation	Senate recommendation
A. MEDICAL PROJECTS			
Replacement and modernization:			
Albuquerque, N. Mex., new clinical services and bed building	$103,500	$103,500	$103,500
Bay Pines, Fla., replacement hospital	2,000	2,000	2,000
Biloxi, Miss., modernize various buildings	9,700	9,700	9,700
Birmingham, Ala., clinical addition and ward modernization	49,700	49,700	49,700
Chillicothe, Ohio, modernize buildings 24, 31 and 35, phase II	2,700	2,700	2,700
Denver, Colo., clinical support wing, air-conditioning and fire/safety improvements	58,092	58,092	58,092
Minneapolis, Minn., replacement hospitals		260,000	
San Francisco, Calif., remodel buildings 2, 4, and 200 for new functions	31,052	31,052	31,052
Los Angeles, Calif., outpatient clinic		3,000	
Subtotal	256,744	519,744	256,744
Nursing home care:			
Boise, Idaho, 60-bed nursing home care	6,200	6,200	6,200
Hines, Ill., 120-bed nursing home care	10,950	10,950	10,950
San Antonio, Tex., 120-bed nursing home care	10,100	10,100	10,100
St. Louis (JB), Mo., 60-bed nursing home care	8,200	8,200	8,200
Subtotal	35,450	35,450	35,450
Outpatient improvements:			
Chicago (WS), Ill., outpatient improvements and renovation of buildings 11A and 11B	4,500	4,500	4,500
Lincoln, Neb., outpatient addition	6,450	6,450	6,450
Pittsburgh (UD), Pa., outpatient addition	2,520	2,520	2,520
Subtotal	13,470	13,470	13,470
Other improvements:			
Advance planning fund: Various stations	15,000	10,000	15,000
Asbestos abatement: Various stations	3,799	3,799	3,799
Energy conservation: Various stations	4,002	4,002	4,002
Clinical improvements:			
Cleveland, Ohio clinical improvements		9,750	
Fargo, N. Dak., addition for clinical improvements	20,363	20,363	20,363
Memphis, Tenn., spinal cord injury building and research and education	30,600	30,600	30,600
Murfreesboro, Tenn., clinical addition and alterations			1,700

[In thousands of dollars]

Facility type and location	Administration request	House recommendation	Senate recommendation
A. MEDICAL PROJECTS—Continued			
Other improvements—Continued			
Clinical improvements—Continued			
Palo Alto (PAD), Calif., surgical addition and fire and safety improvements	3,900	3,900	3,900
San Diego, Calif., spinal cord injury unit and outpatient clinic	8,700	8,700	8,700
Subtotal	86,364	91,114	88,064
General projects:			
Tuskegee, Ala., replace bed building No. 62	11,800	11,800	11,800
Elevators:			
Atlanta, Ga., two additional elevators	3,000	3,000	3,000
Fire and safety improvements:			
Brockton, Mass., fire and safety improvements	3,343	3,343	3,343
Buffalo, N.Y., fire and safety improvements	5,950	5,950	5,950
North Chicago, Ill., fire and safety improvements	2,701	2,701	2,701
Waco, Tex., fire and safety improvements	11,700	11,700	11,700
West Haven, Conn., fire and safety improvements	7,200	7,200	7,200
Subtotal	30,894	30,894	30,894
Electrical improvements:			
Boise, Idaho, primary distribution, secondary distribution, and generator	3,300	3,300	3,300
Hines, Ill., primary distribution, secondary distribution, and secondary generator	5,600	5,600	5,600
Lake City, Fla., primary distribution, secondary distribution, and generator	3,300	3,300	3,300
Subtotal	12,200	12,200	12,200
B. CEMETERY PROJECTS			
Fort Snelling, Minn., develop 14,800 gravesites and additional facilities	1,670	1,670	1,670
Various stations, advance planning fund	500	500	500
Subtotal	2,170	2,170	2,170
Reprograming from prior appropriations	-32,700	-32,700	-32,700
General reduction			-11,700
Total construction, major	419,392	[1] 687,142	409,392

[1] Includes $260,000,000 derived by transfer from compensation and pensions.

The Committee takes exception to the inclusion by the House of $260,000,000 to fund the Minneapolis, Minnesota, replacement hospital. Besides not being in the budget request, the VA has stated that construction on this facility could not begin before fiscal year 1984. The Committee has time and again insisted that the VA develop a priority process that reflects the national construction needs for the entire VA system. Efforts to develop such a process are underway and the action of the House only serves to under cut its development. For the same reasons, the Committee has deleted funding added by the House for the Cleveland clinical addition and the Los Angeles new outpatient clinic.

With respect to the Los Angeles clinic, the Committee is aware that the leasing arrangement for the existing facility has posed serious difficulties in recent years and believes that the need for construction of a replacement facility in the same general vicinity may be warranted. The construction approach could potentially provide a more cost-effective and stable long-term solution than leasing the existing facility. Therefore, the Committee directs that the Veterans' Administration immediately review the needs for the construction of a replacement clinic with a view toward submitting a budget request for this project at the earliest possible time.

The Committee restored the House reduction of $5,000,000 from the advance planning fund. Based on a recent GAO study, the Committee believes that additional emphasis in this area is warranted.

In order not to slow down the process of providing for the new beds at Murfreesboro, Tennessee, to support the new Meharry affiliation, the Committee has taken the highly unusual step, prior to submission of complete justification and authorizing committee action pursuant to section 5004 of title 38, of the United States Code of approving the $1,700,000 to initiate this important project. As this appropriations act proceeds through the Congress, the Committee plans to carefully review the findings and action of the Veterans' Affairs Committees relative to this project.

The Committee concurs with the House in using $32,700,000 in funds from prior year appropriations from the construction of major projects in fiscal year 1983. Currently, the VA has approximately $88,700,000 in its major working reserve. This results from projects that were completed below their expected costs. In this regard, the Committee has also proposed a general reduction of $11,700,000 and expects the VA to use funds from its major working reserve to make up this difference.

At the proposed level of funding the average employment (FTEE) in the VA's construction programs for fiscal year 1983 will be 777.

CONSTRUCTION, MINOR PROJECTS

1982 appropriation	$102,010,000
1983 budget estimate	192,113,000
House allowance	141,748,000
Committee recommendation	141,748,000

The Committee recommends an appropriation of $141,748,000 to finance the construction of minor projects and expenses of the Office of Construction. This amount is $50,365,000 less than the budget estimate and the same as the House allowance.

PROGRAM DESCRIPTION

The construction, minor projects appropriation provides for constructing, altering, extending, and improving any VA facility, including planning, architectural and engineering services, and site acquisition, where the estimated cost of a project is less than $2,000,000, and for general administration costs for the Office of Construction. The Office of Construction is responsible for planning, administration, design, and construction supervision, the construction research and development program, and related staff activities.

COMMITTEE RECOMMENDATION

The Committee concurs with the House in recommending $141,748,000 for the minor construction account. This is a reduction of $50,365,000 below the budget estimate and $39,738,000 above the fiscal year 1982 appropriation. The VA requested $159,248,000 for minor construction projects in 1983. The unobligated balance in the minor construction appropriation is now estimated to be $156,472,000 at the end of fiscal year 1983. Because of the large unobligated balance, the Committee recommends a $50,365,000 reduction in the $87,256,000 increase requested for minor construction projects in 1983. The Committee has changed the House limitation of $32,500,000 for the Office of Construction and recommended a limitation of $32,865,000. The Committee believes that the $365,000 reduction could adversely affect the VA's construction management.

GRANTS FOR CONSTRUCTION OF STATE EXTENDED CARE FACILITIES

1982 appropriation	$15,840,000
1983 budget estimate	18,000,000
House allowance	18,000,000
Committee recommendation	18,000,000

The Committee recommends an appropriation of $18,000,000 for grants for the construction of State extended care facilities in fiscal year 1983. This amount is the same as the budget estimate and the House allowance.

PROGRAM DESCRIPTION

This account is used to provide grants to assist States in constructing State home facilities for furnishing domiciliary or nursing home care to veterans, and to expand, remodel or alter existing buildings for furnishing domiciliary, nursing home, or hospital care to veterans in State homes. The grant may not exceed 65 percent of the total cost of the project, and grants to any one State may not exceed one-third of the amount appropriated in any fiscal year.

As of September 30, 1981, Federal funds in excess of $108,701,000 have been obligated to help finance 155 projects in 32 States.

COMMITTEE RECOMMENDATION

The Committee concurs with the House in recommending the budget request of $18,000,000 for grants for construction of State extended care facilities in fiscal year 1983. This is an increase of $2,160,000 above the fiscal year 1982 appropriation.

GRANTS FOR CONSTRUCTION OF STATE VETERANS CEMETERIES

1982 appropriation	
1983 budget estimate	$2,500,000
House allowance	2,500,000
Committee recommendation	2,500,000

The Committee recommends an appropriation of $2,500,000 for grants for the construction of State veterans cemeteries in fiscal year 1983. This amount is the same as the budget estimate and the House allowance.

PROGRAM DESCRIPTION

Public Law 95-476 authorizes a grants program to assist individual States in establishing, expanding, and improving veterans cemeteries. The administration may make grants in an amount not to exceed 50 percent of the total value of the land and the cost of improvements, with the remaining amount to be contributed by the State. No State may receive in any fiscal year a total amount greater than 20 percent of the appropriations.

COMMITTEE RECOMMENDATION

The Committee concurs with the House in recommending $2,500,000 for this program in fiscal year 1983.

GRANTS TO THE REPUBLIC OF THE PHILIPPINES

1982 appropriation	[1] $500,000
1983 budget estimate	500,000
House allowance	500,000
Committee recommendation	500,000

[1] By transfer from medical care, Public Law 97-216.

The Committee recommends an appropriation of $500,000 for grants to the Republic of the Philippines in fiscal year 1983. This amount is the same as the budget estimate and the House allowance.

PROGRAM DESCRIPTION

Grants have been made to the Republic of the Philippines for the medical care and treatment, at the Veterans Memorial Medical Center (VMMC) or at other facilities by contract, of Philippine Commonwealth Army veterans, new Philippine scouts, and those veterans who served under the command, control, and discipline of the commanding officer of the Armed Forces of the United States in the Philippines during World War II. The purpose of these grants was to assist the Philippine Government in completing the transition to an entirely Philippine funded medical care program for these veterans and scouts. This transition is considered to have been completed in 1981. Public Law 97–72, enacted to assure the continued effective care and treatment of U.S. veterans at the VMMC, provides for an annual grant of $500,000 through 1986. The grant is for the replacement and upgrading of equipment and the rehabilitation of the VMMC's physical plant and facilities.

COMMITTEE RECOMMENDATION

The Committee recommends the budget estimate of $500,000 for grants to the Republic of the Philippines. This grant will assure the continued effective care and treatment of U.S. veterans and those aforementioned veterans at the medical center.

ADMINISTRATIVE PROVISIONS

The House added a new administrative provision to the bill establishing a $35,000,000 limitation on the amount of funds the VA may obligate for medical automated data processing services without the approval of the Committees on Appropriation. The Committee has retained this provision. While the Committee is in agreement with the direction the Agency is pursuing regarding ADP activities, there are a number of unanswered questions concerning the best system, total cost and the implementation timetable that have not been fully answered.

TITLE III

CORPORATIONS

FEDERAL HOME LOAN BANK BOARD

LIMITATION ON ADMINISTRATIVE AND NONADMINISTRATIVE EXPENSES

	Administrative expenses	*Nonadministrative expenses*
1982 limitation	$22,720,000	$37,840,000
1983 budget estimate	24,360,000	40,680,000
House allowance	24,360,000	40,680,000
Committee recommendation	24,360,000	40,680,000

The Committee recommends the same limitation on administrative expenses and nonadministrative expenses as the budget estimate and the House allowance.

PROGRAM DESCRIPTION

The Federal Home Loan Bank Board formulates policies for and supervises the operation of the 12 Federal home loan banks, the system of Federal savings and loan associations, the Federal Savings and Loan Insurance Corporation, and the Federal Home Loan Mortgage Corporation. It is also responsible for the examination of Federal savings and loan associations and for the examination and supervision of State-chartered institutions insured by the Federal Savings and Loan Insurance Corporation. The administrative expenses of the Federal Home Loan Bank Board, including the home office of the Office of Examinations and Supervision, are paid from assessments against the 12 Federal Home Loan Banks and the Federal Savings and Loan Insurance Corporation. The nonadministrative (examination) expenses are financed by examination fees and assessments paid by all insured institutions, and by assessment on the Federal Savings and Loan Insurance Corporation.

COMMITTEE RECOMMENDATION

The Committee concurs with the House in providing a limitation of $24,360,000 on administrative expenses and a limitation of $40,680,000 in nonadministrative expenses for the Federal Home Loan Bank Board, as requested by the administration. The Committee is cognizant that the next year will continue to be an extremely difficult period for the Nation's savings and loan institutions and mutual savings banks. The Committee is recommending the entire budget request to allow the Bank Board maximum flexibility to develop a regulatory framework to address the industry's problems.

FEDERAL SAVINGS AND LOAN INSURANCE CORPORATION

LIMITATION ON ADMINISTRATIVE EXPENSES

1982 limitation	$1,030,000
1983 budget estimate	1,120,000
House allowance	1,120,000
Committee recommendation	1,120,000

The Committee recommends a limitation of $1,120,000 on the administrative expenses of the Federal Savings and Loan Insurance Corporation in fiscal year 1983. This is the same as the budget estimate and the House allowance.

PROGRAM DESCRIPTION

The Federal Savings and Loan Insurance Corporation is authorized under title IV of the National Housing Act to insure savings in all Federal savings and loan associations and in State-chartered institutions of the savings and loan type which apply and qualify for insurance. This protection, which insures each saver in a member association against financial loss up to a statutory limit of $100,000, may be provided either through the prevention of default or the payment of insurance to savings account holders in the event of liquidation. The Corporation is also authorized to make loans to institutions in financial difficulty. The Corporation functions under the direction of the Federal Home Loan Bank Board, which provides administrative services. The expenses of the Board and its staff offices are paid from assessments made on the Corporation and the Federal Home Loan Banks.

COMMITTEE RECOMMENDATION

The Committee recommends a limitation of $1,120,000 on the administrative expenses of the Federal Savings and Loan Insurance Corporation. This amount is the same as the budget request.

TITLE IV—GENERAL PROVISIONS

The Committee concurs with all of the general provisions that were included in the fiscal year 1982 HUD–Independent Agencies Appropriations Act (Public Law 97–101) and were included by the House in this bill (sections 401–415). The Committee has, however, struck two new provisions added on the House floor. These provisions are as follows:

SEC. 416. No funds appropriated by this act may be obligated or expended to issue, promulgate, implement, administer, or enforce any standard or rule under sections 108 and 109 of the Clean Air Act, 42 U.S.C. 7408 and 7409, which changes the national ambient air quality standards for carbon monoxide to permit multiple days of allowable exceedances on an annual basis as described in 47 Federal Register 26407.

SEC. 417. None of the funds appropriated by this act may be obligated or expended to promulgate, issue, prescribe, implement, administer, make, or enforce any finding, rule, order, or sanction under the Clean Air Act on any State or political subdivision thereof for failure to adopt, implement, conduct, or enforce a vehicle emission control inspection and maintenance program. Nothing in this section shall be construed to preclude the use of funds for the purpose of providing technical assistance under the Clean Air Act to any State or political subdivision thereof or to terminate in accordance with such act any sanction imposed under such act for such a failure.

The Committee took this action in light of the fact that neither of these provisions were in the version of the House bill used as the basis of the subcommittee and full Committee markups. The deletion of these provisions will permit full consideration of these provisos when the bill is debated in the Senate.

COMPLIANCE WITH RULE XVI, PARAGRAPH 7

Rule XVI, paragraph 7 states:

"Every report on general appropriation bills filed by the Committee on Appropriations shall identify with particularity each recommended amendment which proposes an item of appropriation which is not made to carry out the provisions of an existing law, a treaty stipulation, or an act or resolution previously passed by the Senate during that session."

The provision concerning annual contributions for assisted housing, within the Department of Housing and Urban Development, would fall under this rule.

BUDGETARY IMPACT OF H.R. 6956

PREPARED BY THE CONGRESSIONAL BUDGET OFFICE PURSUANT TO SEC. 308(a), PUBLIC LAW 93-344

[In millions of dollars]

	Budget authority		Outlays	
	Committee allocation	Amount in bill	Committee allocation	Amount in bill
Comparison of amounts in the bill with the Committee allocation to its subcommittees of amounts in the First Concurrent Resolution for 1983: Subcommittee on HUD-Independent Agencies	56,500	47,531	56,600	[1]54,852
Projections of outlays associated with budget authority recommended in the bill:				
1983				[2]33,006
1984				8,251
1985				3,411
1986				1,327
1987 and future year				1,701
Financial assistance to State and local governments for 1983 in the bill		8,089		1,058

[1] Includes outlays from prior-year budget authority, and from previously enacted appropriations (including H.R. 6863).

[2] Includes $164 million for which there is no new budget authority.

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1982 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 1983

[Amounts in dollars]

Item (1)	1982 Appropriation (2)	Budget estimate (3)	House allowance (4)	Committee recommendation (5)	Senate committee recommendation compared with (+ or −)		
					1982 Appropriation (6)	Budget estimate (7)	House allowance (8)
TITLE I							
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT							
HOUSING PROGRAMS							
Annual contributions for assisted housing (contract authority)	13,274,888,040	-2,415,541,000	---	3,799,920,000	-9,474,968,040	+6,215,461,000	+3,799,920,000
(Increased limitation for annual contract authority)	(802,795,848)	(-2,052,000)	---	(179,940,000)	(-622,855,848)	(+181,992,000)	(+179,940,000)
Homeownership assistance (contract authority by transfer)	---	---	---	---	---	---	---
(Increased limitation for annual contract authority)	---	---	---	---	---	---	---
Rent supplement (rescission of contract authority, indefinite)	-2,787,480,000	-2,830,360,000	---	-2,830,360,000	-42,880,000	---	-2,830,360,000
(Limitation on annual contract authority, indefinite)	(-33,840,000)	(-105,160,000)	---	(-105,160,000)	(-71,320,000)	---	(-105,160,000)
Housing payments (appropriation to liquidate contract authority)	(8,759,000,000)	(9,538,000,000)	(9,538,000,000)	(9,538,000,000)	(+779,000,000)	---	---
Housing for the elderly or handicapped fund (authority to borrow)	744,511,000	276,617,000	276,617,000	442,390,000	-301,921,000	+165,973,000	+165,973,000
(Limitation on direct loans)	(799,231,000)	(453,000,000)	(453,000,000)	(724,800,000)	(-74,431,000)	(+271,800,000)	(+271,800,000)
(Limitation on loans, prior authority)	(20,000,000)	---	---	---	(-20,000,000)	---	---
Congregate services program	---	---	3,500,000	3,500,000	+3,500,000	+3,500,000	---

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Payments for operation of low-income housing projects.	1,350,306,000	1,075,000,000	1,350,000,000	1,288,000,000	-62,306,000	+213,000,000	-62,000,000
Fiscal year 1981 supplemental	(140,600,000)	---	---	---	(-140,600,000)	---	---
Troubled projects operating subsidy	4,000,000	---	---	---	-4,000,000	---	---
Housing counseling assistance	3,520,000	---	3,500,000	3,500,000	-20,000	+3,500,000	---
Federal Housing Administration Fund	222,148,000	240,022,000	240,022,000	240,022,000	+17,874,000	---	---
Portion applied to debt reduction	-127,248,000	-161,617,000	-161,617,000	-161,617,000	-34,369,000	---	---
(Limitation on guaranteed loans)	(40,000,000,000)	(35,000,000,000)	(40,000,000,000)	(39,800,000,000)	(-200,000,000)	(+4,800,000,000)	(-200,000,000)
Temporary mortgage assistance payments (limitation on direct loans)	(75,960,000)	(45,000,000)	(45,000,000)	(45,000,000)	(-30,960,000)	---	---
Total, Federal Housing Administration Fund	94,900,000	78,405,000	78,405,000	78,405,000	-16,495,000	---	---
Nonprofit sponsor assistance (limitation on direct loans)	(2,590,000)	(1,790,000)	(1,790,000)	(1,790,000)	(-800,000)	---	---
Low-rent public housing -- loans and other expenses	---	---	---	---	---	---	---
Low-rent public housing - loans and other expenses (By transfer)	---	(1,400,000,000)	---	---	---	(-1,400,000,000)	---
(Appropriations to liquidate contract authority)	---	(1,400,000,000)	---	---	---	(-1,400,000,000)	---
Government National Mortgage Association							
Special assistance functions fund: (Limitation on direct loans)	(1,973,000,000)	---	---	---	(-1,973,000,000)	---	---
Payment of participation sales insufficiencies	1,964,000	2,726,000	2,726,000	2,726,000	+762,000	---	---
Guarantees of mortgage-backed securities (limitation on guaranteed loans)	(68,250,000,000)	(38,400,000,000)	(68,250,000,000)	(68,250,000,000)	---	(+29,850,000,000)	---
Total, Government National Mortgage Association.	1,964,000	2,726,000	2,726,000	2,726,000	+762,000	---	---
SOLAR ENERGY AND ENERGY CONSERVATION BANK							
Assistance for solar and conservation improvements	21,850,000	---	25,000,000	15,000,000	-6,850,000	+15,000,000	-10,000,000
(By transfer)	---	---	---	---	---	---	---
Total, Housing Programs (net)	12,708,459,040	-3,813,153,000	1,739,748,000	2,803,281,000	-9,905,178,040	+6,616,434,000	+1,063,533,000

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COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1982 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 1983—Continued

[Amounts in dollars]

Item (1)	1982 Appropriation (2)	Budget estimate (3)	House allowance (4)	Committee recommendation (5)	Senate committee recommendation compared with (+ or −): 1982 Appropriation (6)	Budget estimate (7)	House allowance (8)
COMMUNITY PLANNING AND DEVELOPMENT							
Community development grants	3,456,000,000	3,456,000,000	3,445,000,000	3,456,000,000	---	---	+11,000,000
(Limitation on guaranteed loans)	(225,000,000)	---	(225,000,000)	(225,000,000)	---	(+225,000,000)	---
Urban development action grants	435,100,000	440,000,000	340,000,000	440,000,000	+4,900,000	---	+100,000,000
Reappropriation	5,025,000	---	---	---	-5,025,000	---	---
Rehabilitation loan fund	---	---	---	---	---	---	---
(Limitation on direct loans)	---	---	---	---	---	---	---
(Limitation on loans, prior authority)	---	---	---	---	---	---	---
Urban homesteading	---	12,000,000	12,000,000	12,000,000	+12,000,000	---	---
Total, Community Planning and Development	3,896,125,000	3,908,000,000	3,797,000,000	3,908,000,000	+11,875,000	---	+111,000,000
POLICY DEVELOPMENT AND RESEARCH							
Research and technology	20,030,000	20,000,000	20,000,000	18,000,000	-2,000,000	-2,000,000	-2,000,000
FAIR HOUSING AND EQUAL OPPORTUNITY							
Fair Housing Assistance	5,016,000	5,700,000	5,700,000	5,700,000	+684,000	---	---
MANAGEMENT AND ADMINISTRATION							
Salaries and expenses	319,500,000	321,001,000	308,501,000	307,500,000	-12,000,000	-13,501,000	-1,001,000
(By transfer, FHA funds)	(266,752,000)	(267,723,000)	(267,723,000)	(267,723,000)	(+971,000)	---	---
Working capital fund	528,000	---	---	---	-528,000	---	---

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Total, title I, Department of Housing and Urban Development:							
New budget (obligational) authority (net)...	16,949,628,040	441,540,000	5,870,949,000	7,042,481,000	-9,907,147,040	+6,600,933,000	+1,171,532,000
Appropriations............................	16,327,340,040	326,548,000	5,755,949,000	6,761,508,000	-9,565,832,040	+6,434,960,000	+1,005,559,000
Portion applied to debt reduction.........	-127,248,000	-161,617,000	-161,617,000	-161,617,000	-34,369,000	---	---
Authority to borrow.......................	744,511,000	276,6[illegible]00	276,617,000	442,590,000	-301,921,000	+165,973,000	+165,973,000
Fiscal year 1981 supplemental...............	(140,600,000)	---	---	---	(-140,600,000)	---	---
(Appropriation to liquidate contract authority)................................	(8,759,000,000)	(9,538,000,000)	(9,538,000,000)	(9,538,000,000)	(+779,000,000)	---	---
(Contract authority by transfer)............	---	---	---	---	---	---	---
(Limitation on direct loans)................	(877,781,000)	(499,790,000)	(499,790,000)	(771,590,000)	(-106,191,000)	(+271,800,000)	(+271,800,000)
(Limitation on loans, prior authority)......	(20,000,000)	---	---	---	(-20,000,000)	---	---
(Limitation on corporate funds to be expended)................................	(266,752,000)	(267,723,000)	(267,723,000)	(267,723,000)	(+971,000)	---	---
TITLE II							
INDEPENDENT AGENCIES							
AMERICAN BATTLE MONUMENTS COMMISSION							
Salaries and expenses................................	10,586,000	10,669,000	10,669,000	10,669,000	+83,000	---	---
CONSUMER PRODUCT SAFETY COMMISSION							
Salaries and expenses................................	32,163,680	33,508,000	33,508,000	33,508,000	+1,344,320	---	---
DEPARTMENT OF DEFENSE - CIVIL							
Cemeterial Expenses, Army							
Salaries and expenses................................	4,476,000	6,689,000	6,689,000	6,682,000	+2,206,000	-7,000	-7,000

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1982 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 1983—Continued

[Amounts in dollars]

Item (1)	1982 Appropriation (2)	Budget estimate (3)	House allowance (4)	Committee recommendation (5)	Senate committee recommendation compared with (+ or −): 1982 Appropriation (6)	Budget estimate (7)	House allowance (8)
ENVIRONMENTAL PROTECTION AGENCY							
Salaries and expenses	555,105,700	538,113,200	544,963,000	548,613,200	-6,492,500	+10,500,000	+3,650,200
Research and development	154,315,600	108,703,800	121,204,000	115,000,000	-39,315,600	+6,296,200	-6,204,000
Abatement, control and compliance	372,969,700	311,575,000	369,075,000	365,007,000	-7,962,700	+53,432,000	-4,068,000
Buildings and facilities	3,621,000	3,000,000	3,000,000	3,000,000	-621,000	---	---
Payment to the hazardous substance response trust fund	26,600,000	44,000,000	44,000,000	38,000,000	+11,400,000	-6,000,000	-6,000,000
Hazardous substance response trust fund	190,000,000	230,000,000	230,000,000	200,000,000	+10,000,000	-30,000,000	-30,000,000
Construction grants:							
Appropriation	2,400,000,000	2,400,000,000	2,400,000,000	2,430,000,000	+30,000,000	+30,000,000	+30,000,000
(Appropriation to liquidate contract authority)	(1,000,000,000)	---	---	---	(-1,000,000,000)	---	---
United States Regulatory Council	---	---	---	---	---	---	---
Total, Environmental Protection Agency	3,702,612,000	3,635,392,000	3,712,242,000	3,699,620,200	-2,991,800	+64,228,200	-12,621,800
EXECUTIVE OFFICE OF THE PRESIDENT							
Council on Environmental Quality and Office of Environmental Quality	936,000	926,000	926,000	926,000	-10,000	---	---
Office of Science and Technology Policy	1,578,000	1,839,000	1,578,000	1,839,000	+261,000	---	+261,000
Total, Executive Office of the President	2,514,000	2,765,000	2,504,000	2,765,000	+251,000	---	+261,000

FEDERAL EMERGENCY MANAGEMENT AGENCY							
Funds appropriated to the President, disaster relief..	301,694,000	325,000,000	324,000,000	130,000,000	-171,694,000	-195,000,000	-194,000,000
Salaries and expenses..................................	96,436,000	117,553,000	110,392,000	114,616,000	+18,180,000	-2,937,000	+4,224,000
State and local assistance.............................	119,745,000	219,731,000	139,776,000	167,731,000	+47,986,000	-52,000,000	+27,955,000
Emergency planning and assistance......................	67,400,000	188,003,000	155,627,000	173,928,000	+106,528,000	-14,075,000	+18,301,000
National flood insurance fund..........................	328,240,000	41,572,000	39,159,000	39,159,000	-289,081,000	-2,413,000	---
Portion applied to debt reduction..................	-328,240,000	-41,572,000	-39,159,000	-39,159,000	+289,081,000	+2,413,000	---
Total, Federal Emergency Management Agency......	585,275,000	850,287,000	729,795,000	586,275,000	+1,000,000	-264,012,000	-143,520,000
GENERAL SERVICES ADMINISTRATION							
Consumer Information Center............................	1,290,000	1,299,000	1,299,000	1,351,000	+61,000	+52,000	+52,000
DEPARTMENT OF HEALTH AND HUMAN SERVICES							
Office of Consumer Affairs.............................	1,848,000	1,987,000	1,947,000	1,947,000	+99,000	-40,000	---
NATIONAL AERONAUTICS AND SPACE ADMINISTRATION							
Research and development...............................	4,738,000,000	5,334,000,000	5,542,800,000	5,117,800,000	+379,800,000	-216,200,000	-425,000,000
Construction of facilities.............................	98,700,000	100,000,000	95,000,000	100,000,000	+1,300,000	---	+5,000,000
Research and program management........................	1,183,300,000	1,178,900,000	1,168,900,000	1,177,000,000	-6,300,000	-1,900,000	+8,100,000
Total, National Aeronautics and Space Administration................................	6,020,000,000	6,612,900,000	6,806,700,000	6,394,800,000	+374,800,000	-218,100,000	-411,900,000
NATIONAL COMMISSION ON AIR QUALITY							
Salaries and expenses..................................	---	---	---	---	---	---	---

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1982 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 1983—Continued

[Amounts in dollars]

Item (1)	1982 Appropriation (2)	Budget estimate (3)	House allowance (4)	Committee recommendation (5)	Senate committee recommendation compared with (+ or −)		
					1982 Appropriation (6)	Budget estimate (7)	House allowance (8)
NATIONAL CONSUMER COOPERATIVE BANK							
Salaries and expenses................................	---	---	---	---	---	---	---
Self-help development................................	4,800,000	---	---	---	-4,800,000	---	---
(Limitation on direct loans)......................	(14,000,000)	---	---	---	(-14,000,000)	---	---
National Consumer Cooperative Bank Fund:							
(Limitation on direct loans)......................	(260,000,000)	---	---	---	(-260,000,000)	---	---
(Limitation on commitments)......................	---	---	---	---	---	---	---
Total, National Consumer Cooperative Bank.......	4,800,000	---	---	---	-4,800,000	---	---
NATIONAL CREDIT UNION ADMINISTRATION							
Central liquidity facility:							
(Limitation on borrowing authority)...............	(600,000,000)	(600,000,000)	(600,000,000)	(600,000,000)	---	---	---
(Limitation on direct loans)......................	(4,400,000,000)	(709,632,000)	---	---	(-4,400,000,000)	(-709,632,000)	---
(Limitation on administrative expenses)...........	(1,641,000)	(1,749,000)	(1,368,000)	(1,368,000)	(-273,000)	(-381,000)	---
Emergency lending authority.......................	100,000,000	---	---	---	-100,000,000	---	---
NATIONAL INSTITUTE OF BUILDING SCIENCES							
Salaries and expenses................................	1,440,000	---	---	---	-1,440,000	---	---

NATIONAL SCIENCE FOUNDATION

Research and related activities	971,595,000	1,055,568,000	1,067,200,000	1,055,568,000	+83,973,000	---	-11,632,000
Science education activities	20,900,000	15,000,000	40,000,000	15,000,000	-5,900,000	---	-25,000,000
Scientific activities overseas (special foreign currency program)	3,080,000	2,200,000	2,200,000	2,200,000	-880,000	---	---
Total, National Science Foundation	995,575,000	1,072,768,000	1,109,400,000	1,072,768,000	+77,193,000	---	-36,632,000

NEIGHBORHOOD REINVESTMENT CORPORATION

Payment to the Neighborhood Reinvestment Corporation	13,872,000	15,512,000	15,512,000	15,512,000	+1,640,000	---	---

SELECTIVE SERVICE SYSTEM

Salaries and expenses	19,721,000	23,386,000	22,386,000	22,986,000	+3,265,000	-400,000	+600,000

DEPARTMENT OF THE TREASURY

Payments to State and local government fiscal assistance trust fund	4,566,700,000	4,566,700,000	4,566,700,000	4,566,700,000	---	---	---
Office of Revenue Sharing, salaries and expenses	6,209,000	6,612,000	6,612,000	6,612,000	+403,000	---	---
New York City loan guarantee program, administrative expenses	822,000	310,000	310,000	310,000	-512,000	---	---
(Limitation on guaranteed loans)	(755,898,000)	---	---	---	(-755,898,000)	---	---
Investment in National Consumer Cooperative Bank	43,000,000	---	---	---	-43,000,000	---	---
Total, Department of the Treasury	4,616,731,000	4,573,622,000	4,573,622,000	4,573,622,000	-43,109,000	---	---

VETERANS ADMINISTRATION

Compensation and pensions	13,824,000,000	13,430,800,000	13,430,800,000	13,430,800,000	-393,200,000	---	---
Readjustment benefits	1,919,100,000	1,665,800,000	1,665,800,000	1,665,800,000	-253,300,000	---	---
Veterans insurance and indemnities	8,500,000	6,400,000	6,400,000	6,400,000	-2,100,000	---	---

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1982 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 1983—Continued

[Amounts in dollars]

Item (1)	1982 Appropriation (2)	Budget estimate (3)	House allowance (4)	Committee recommendation (5)	Senate committee recommendation compared with (+ or −) 1982 Appropriation (6)	Budget estimate (7)	House allowance (8)
Medical care	7,101,028,000	7,495,879,000	7,512,661,000	7,493,824,000	+392,796,000	-2,055,000	-18,837,000
Medical and prosthetic research	136,657,000	137,793,000	155,000,000	150,329,000	+13,672,000	+12,536,000	-4,671,000
Medical administration and miscellaneous operating expenses	63,392,000	55,807,000	56,107,000	55,807,000	-7,585,000	---	-300,000
General operating expenses	662,055,520	693,359,000	686,359,000	691,359,000	+29,303,480	-2,000,000	+5,000,000
Construction, major projects	372,270,000	419,392,000	427,142,000	409,392,000	+37,122,000	-10,000,000	-17,750,000
(By transfer)	---	---	(260,000,000)	---	---	---	(-260,000,000)
Construction, minor projects	102,010,000	192,113,000	141,748,000	141,748,000	+39,738,000	-50,365,000	---
Grants for construction of State extended care facilities	15,840,000	18,000,000	18,000,000	18,000,000	+2,160,000	---	---
Grants for construction of State veterans cemeteries	---	2,500,000	2,500,000	2,500,000	+2,500,000	---	---
Grants to the Republic of the Philippines	500,000	500,000	500,000	500,000	---	---	---
Vocational rehabilitation revolving fund	---	---	---	---	---	---	---
Direct loan revolving fund (limitation on direct loans)	(1,000,000)	(1,000,000)	(1,000,000)	(1,000,000)	---	---	---
Total, Veterans Administration	24,205,352,520	24,118,343,000	24,103,017,000	24,066,459,000	-138,893,520	-51,884,000	-36,558,000

Total, title II, Independent Agencies:							
New budget (obligational) authority	40,318,256,200	40,959,127,000	41,129,290,000	40,488,964,200	+170,708,000	-470,162,800	-640,325,800
Appropriations	40,546,496,200	41,000,699,000	41,168,449,000	40,528,123,200	-18,373,000	-472,575,800	-640,325,800
Portion applied to debt reduction	-328,240,000	-41,572,000	-39,159,000	-39,159,000	+289,081,000	+2,413,000	---
(Appropriation to liquidate contract authority)	(1,000,000,000)	---	---	---	(-1,000,000,000)	---	---
(Limitation on borrowing authority)	(600,000,000)	(600,000,000)	(600,000,000)	(600,000,000)	---	---	---
(Limitation on commitments)	---	---	---	---	---	---	---
(Limitation on direct loans)	(4,675,000,000)	(710,632,000)	(1,000,000)	(1,000,000)	(-4,674,000,000)	(-709,632,000)	---
(Limitation on guaranteed loans)	(755,898,000)	---	---	---	(-755,898,000)	---	---
(Limitation on corporate funds to be expended)	(1,641,000)	(1,749,000)	(1,368,000)	(1,368,000)	(-273,000)	(-381,000)	---

TITLE III

CORPORATIONS

Federal Home Loan Bank Board:							
(Limitation on administrative expenses)	(22,720,000)	(24,360,000)	(24,360,000)	(24,360,000)	(+1,640,000)	---	---
(Limitation on non-administrative expenses)	(37,840,000)	(40,680,000)	(40,680,000)	(40,680,000)	(+2,840,000)	---	---
Federal Savings and Loan Insurance Corporation, (limitation on administrative expenses)	(1,030,000)	(1,120,000)	(1,120,000)	(1,120,000)	(+90,000)	---	---
Total, title III, Corporations	(61,590,000)	(66,160,000)	(66,160,000)	(66,160,000)	(+4,570,000)	---	---

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1982 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 1983—Continued

[Amounts in dollars]

Item (1)	1982 Appropriation (2)	Budget estimate (3)	House allowance (4)	Committee recommendation (5)	Senate committee recommendation compared with (+ or −) 1982 Appropriation (6)	Budget estimate (7)	House allowance (8)
RECAPITULATION							
Grand total:							
New budget (obligational) authority	57,267,884,240	41,400,675,000	47,000,239,000	47,531,445,200	-9,736,439,040	+6,130,770,200	+531,206,200
Appropriations	56,873,836,240	41,327,247,000	46,924,398,000	47,289,631,200	-9,584,205,040	+5,962,384,200	+365,233,200
Portion applied to debt reduction	-455,488,000	-203,189,000	-200,776,000	-200,776,000	+254,712,000	+2,413,000	---
Authority to borrow	844,511,000	276,617,000	276,617,000	442,590,000	-401,921,000	+165,973,000	+165,973,000
Fiscal year 1981 supplemental	(140,600,000)	---	---	---	(-140,600,000)	---	---
(Appropriations to liquidate contract authority)	(9,759,000,000)	(9,538,000,000)	(9,538,000,000)	(9,538,000,000)	(-221,000,000)	---	---
(Contract authority by transfer)	---	---	---	---	---	---	---
(Limitation on borrowing authority)	(600,000,000)	(600,000,000)	(600,000,000)	(600,000,000)	---	---	---
(Limitation on commitments)	---	---	---	---	---	---	---
(Limitation on direct loans)	(5,552,781,000)	(1,210,422,000)	(500,790,000)	(772,590,000)	(-4,780,191,000)	(-437,832,000)	(+271,800,000)
(Limitation on guaranteed loans)	(109,230,898,000)	(73,400,000,000)	(108,475,000,000)	(108,275,000,000)	(-955,898,000)	(+34,875,000,000)	(-200,000,000)
(Limitation on loans, prior authority)	(20,000,000)	---	---	---	(-20,000,000)	---	---
(Limitation on corporate funds to be expended)	(329,983,000)	(335,632,000)	(335,251,000)	(335,251,000)	(+5,268,000)	(-381,000)	---